THE FINANCIAL POST

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The Nation's Business

Disappointing Campaign
Seventy-nine Doubtful Seats in Canada
Tories Won 41 of These
Opponents Won 38 by Close Fights
New Tariff Doctrine

THIS election campaign began with public opinion strongly back of the Conservatives. Had the vote taken place within a week or so after dissolution, Mr. Meighen would have swept the country, even if the Liberals had had the election machinery in their control. There is no doubt in the minds of those who know public opinion across the continent as to this. The vote in 1925 showed that the country wanted no more of Mackenzie King, personally. His record since, still further discredited him among Liberals throughout the country, and the pitiful exhibition he made of himself in the inner circles of his party in the house during the critical few days before dissolution ended his actual leadership of the Liberal party. It was only the brilliant tactics of Hon. Charles Dunning that held them together and saved the situation. Then and there it was decided that Mr. King must get out, and that Mr. Dunning should assume the leadership. Liberal leaders admitted at the outset there was no hope, but they regarded it as bad tactics to unload Mr. King during the election.

* * *

THE Conservatives had everything in their favor, a leader than whom there was no man more respected and trusted, and the Liberal record was bad—very bad. But the direction of the campaign on the part of the Conservatives was so weak, and of the Liberals so astute that the Conservative support began slowly to ebb from the day the new government was announced. As far as ability, personality, character, and sincerity go, Mr. Meighen's stock has steadily increased. He has undoubtedly won the *respect, if* not the votes of the French-*Canadians*. No public man in the history of the country ever had such tremendous gatherings, and such sympathetic listeners, but unfortunately the lack of vision, imagination and understanding of current opinion in Canada on his part and on the part of his advisors and campaign managers has been lamentable.

* * *

THE whole campaign has been carried on petty lines. The public wanted real leadership with constructive policies. Mainly, they wanted assurances of clean government, and reductions of public expenditures and in taxations. Instead, they have had from both sides, long, tiresome confusing speeches dealing with petty issues. Much time has been spent in discussing local questions—chiefly, which party would promise to spend most money in the local constituency. There has been one exception—Hon. James Robb. The public have come to regard him as the "find" of the campaign. Leaders on both sides admit this, and in the last few days he has been spoken of as "Honest Jim Robb, the Cal. Coolidge of Canada." Mr. Robb's addresses have been short, concise, practical, fair, generous to the Conservatives. Beyond that, he has captured the sympathy of the people of Ontario, Quebec and the Maritime provinces by his promise that if he was returned to power he would make further great reductions in taxations. Such a hit did he make that the directors of the Liberal party rushed him back into Ontario to speak at important centres.

If the Conservatives win, it will be in spite of the mismanagement of their campaign, and because of the

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"Rain; Rain; Go Away"

Rain over the week-end in Toronto, cost shareholders of Toronto Baseball Club, what would have paid them a tidy dividend on their stock.

The most important series of the year—from the box office standpoint, was to have concluded with a Saturday afternoon double-header and an attendance of 20,000 with a revenue that would likely have grossed well over $15,000, was assured, until the rain came and caused a total loss of this income. At this stage of the season the games, which were to have been with Baltimore, cannot be replayed. The golden opportunity is gone.

The twenty thousand crowd expected compares with 250,000, the estimate for the whole season made when stock was sold last spring.

Monday's two "gates" were also out by threatening weather.

POST CRITICIZED STEVENS IN 1922 FOR DIRECTORATE

Canadian U.S. Oil Company Then Labelled Unattractive Proposition

ELECTION ROORBACK

Unfortunate Connection of Many Prominent Citizens With Ill-fated Oil Venture Now Looms Large

"Exposure" by the Vancouver Sun of the connection of Hon. H. H. Stevens with the Canadian U. S. Oil and Refining Company, has been forecast in Liberal political circles for some weeks, and it was known that the story would be sprung just before election time. Possible effect on the political fortunes of Mr. Stevens, who has a hard fight on his hands in Vancouver Centre, is, of course, only to be guessed at, but it is not expected that anything so unrelated to the issues of the day will have any effect in other constituencies.

In financial circles the view is held that the incident proves the necessity for men in prominent places to "lean backwards" when it comes to a question of permitting themselves to be associated with speculative enterprises. In all sincerity, no doubt, Mr. Stevens became a director of this company and is now paying the price for his lack of caution, financial men feel.

Post Warned Against Investment

Readers of The Financial Post will be interested in the following reprint of some of the comments made by this paper at the time the Canadian U. S. Oil and Refining Company was selling its stock.

From The Financial Post, July 22, 1921. "Canadian U. S. Oil and Refining Corporation is one of the most unattractive of oil stocks now being offered on the market. Its prospectus tells a long story of the profits the company is making in the Texas, Oklahoma and Louisiana fields but its holdings in Canada are quite small and it looks as if the company got just enough land at Fort Norman to enable it to capitalize the interest in that field that has developed in this country. There is something unsavory too in an oil company calling its shares "8 per cent. stock' when there is only one class of shares. The company may now be paying 2 per cent. quarterly dividends while it is selling stock but the amount of its future dividend is going to depend entirely upon earnings and calling the shares '8 per cent. stock' means absolutely nothing."

Concerning the connection of Mr. Stevens and A. G. Blair, K.C., with the company, The Post remarked on April 6, 1922:

"Perhaps you have noted that the names of a couple of leading Canadians have been associated recently with this concern. It may help the concern's stock selling. It can hardly help the reputation of the men in question."

Considered It Speculative

In fairness to Mr. Stevens it should be pointed out that, in a reply to an investor, who asked concerning the stock of the company as an investment, Mr. Stevens said:

"I consider the stock of the Canadian U. S. Oil Company among the best of the new and partially developed oil concerns, but as to advising you in regard to investment, **if you want to be absolutely sure of it, buy 'Victory bonds'.**"

Another public man who allowed his name to be associated with the company was A. G. Blair, K.C., counsel for the Board of Railway Commissioners of Canada. A letter purported to have been written by him was used by stock salesmen and highly commended the company and its management "after full inquiry."

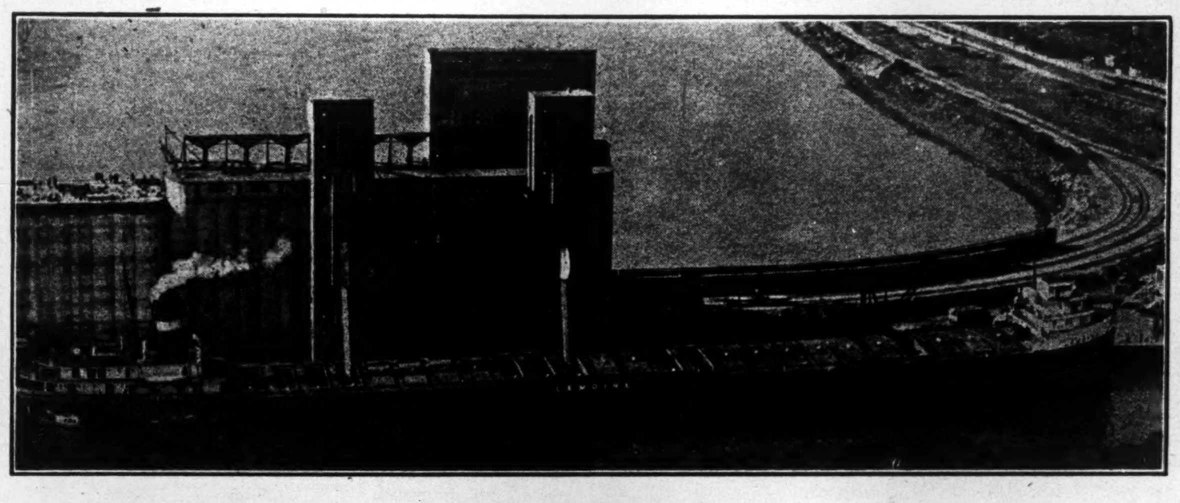
Other Canadians on Board

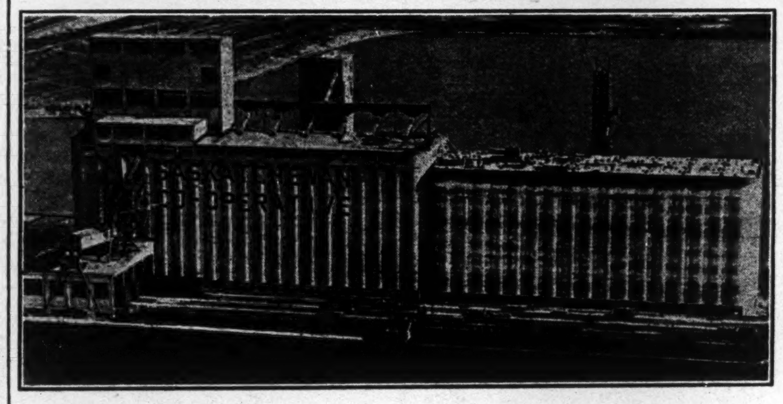
Other Canadians who were mentioned in the company's literature as directors or on the advisory board from time to time were: John Lumsden, lumber manufacturer, Ottawa; H. C. Ralph, Vancouver, B.C.; W. A. Rae, M. P. P. Grande Prairie; H. A. Sinnott, barrister and ex-mayor of Calgary; J. A. Dunford, Victoria, B. C.; J. A. Cairnes, Boundary Bay, B. C.; Capt. W. J. Press, Ottawa; Lt.-Col. M. B. Peacock, Calgary.

Recently Canadian U. S. Oil Refining shareholders were told that their stock was to be exchanged for shares in the Lewis Oil Corporation of New York. Some Canadian shareholders complained to The Financial Post that they had not received their certificates in the new company, and a communication from The Post in the Better Business Bureau of New York City brought the information that the latter company was very indefinite and vague in giving out information, and that a recent request for information brought a refusal.

Quebec Power Increases Dividend

MONTREAL. — The long-anticipated increase in the dividend rate of the Quebec Power Company has materialized; the directors have declared a dividend for the quarter ending September 30, 1926, of 1½ per cent. The last quarterly payment was 1¼ per cent.; thus the rate has been increased from 5 to 6 per cent.





Building Buffalo on Canadian Grain

Upper photograph shows the S. S. LeMoyne, pride of the Canada Steamships Lines, and the largest grain boat in the world, unloading a cargo of Canadian grain at a Canadian-owned elevator in Buffalo—an American port. The LeMoyne made its maiden trip last week with 525,000 bushels of grain, the largest cargo ever carried on the Great Lakes.

Lower photograph shows additions being made to the same elevator—that owned by the Canadian wheat pool through the Saskatchewan Co-operative Elevator Company. Present capacity of 1,100,000 bushels is being doubled.

These aeroplane photographs were taken for The Financial Post by Maguire-Seed, Curtiss Field, Buffalo, by whom they are copyright.

Canadian Grain Builds Flour Mills at Buffalo; Lake, Rail Rates Blamed

Railway Board Stalls on Decision on Freight Rates

CANADA LOSING OUT

Buffalo Now World's Largest Milling Centre Though Port Colborne Better Located

Already the golden stream of grain from the western wheatfields has commenced its eastern flow. Today a thousand binders are working from dawn till dark. A thousand threshers are parting the rich grain from the chaff. The elevators have begun to receive the new crop all across from the Red River to the Rockies. Every effort is being strained to get the wheat from field to market. Business, both east and west, has begun to estimate what is to be its share. Transportation has increased its capacity to take care of this new wealth. Canada at this time becomes a hive of industry.

But nature and the arbiters who determined the location of the international border played a grim trick on Canada. A slight application of the imagination to the map of the Dominion brings into the picture the outline of a funnel, the spout of which is where the Niagara River empties the upper lakes. Past this point must flow the great bulk of the Western wheat, most of which is for export. One would expect to see at this point a thriving community built up by virtue of the business attending transshipment of the grain, since the waterways cannot accommodate ocean vessels. Naturally, of course, since the grain is Canadian—the product entirely of Canadian effort — one would expect to find this great community on the Canadian side, somewhere near the entrance of the Welland Canal. Here is where the strange anomaly comes in. A small grain port, Port Colborne, snuggles on the Canadian side of the lake, but the great bulk of the grain passes by—presses on twenty miles farther to the great American port of Buffalo, and is there sucked up into one of thirty odd giant elevators which dot the skyline and mark out this city as the grain port of America. Of course a fairly large percentage of Canada's grain finds its way to Europe by way of Montreal and the Maritime ports, but there is a sufficiently large drain at Buffalo to warrant investigation. About half the grain that flows through Buffalo is Canadian, and this is more than passes through any Canadian city. Canadian grain, in other words, is building up a great United States city. And why?

Freight Rates Determine Outlet

The explanation of this remarkable state of affairs is to be found in two things—freight rates and milling in bond. There is a marked advantage in milling on the American side and shipping over United States railways to American seaboard ports. As a result, Canadian millers are encouraged to locate mills in the United States to take advantage of the privileges afforded in shipping their products over United States roads to New York or Philadelphia, rather than through Montreal or other Canadian ports. This advantage is not merely nominal. There is a wide margin of difference between the rates from the head of the lakes to Port Colborne and to Buffalo. During the heavy grain shipping month of October, 1924, and this is by no means an exception, the rate on wheat was 3.71 cents a bushel to Port Colborne, and 2.26 cents to Buffalo. The average monthly rates in 1924 to these two points were:

	Port Colborne	Buffalo
April	4.18	2.90
May	3.34	2.14
June	3.19	1.63
July	2.83	1.61
Aug.	2.48	1.47
Sept.	3.29	1.95
Oct.	3.71	2.26
Nov.	3.84	3.29
Dec.	4.70	5.37
Average	3.46	2.88

It is seen that only during one month were the Buffalo rates higher, and that the average rate to the Canadian port was 3.46 cents a bushel against 2.88 cents to Buffalo.

Flour Rates Also Favor Buffalo

The same situation applies in the case of the flour shipped from Buffalo and from Ontario Bay ports to the Atlantic. In the case of milling in transit, flour shipped from Buffalo to New York has a rate of 16 cents a hundredweight against 18.5 cents if

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Buffalo's Flour Output

	Barrels
1906	2,347,500
1910	3,764,850
1915	6,590,350
1920	5,243,360
1921	6,693,255
1922	6,708,827
1923	6,462,571
1924	6,988,609
1925	9,458,142
1926*	10,000,000

*Anticipated.

Big Order by Canadian Mill Was Partially Done in U.S.

MINNEAPOLIS ALSO

Twin Cities Feel Also Loss of Flour Supremacy to Buffalo Port

From Our Own Correspondent.

BUFFALO.—A couple of years ago the Maple Leaf Milling Company secured an enormous contract for flour to be supplied to the Russian Soviet government. The Maple Leaf Milling company found it profitable to sublet a substantial portion of that contract to the Washburn-Crosby company, to be milled at Buffalo.

It was not the first time that the Washburn-Crosby Buffalo mill had milled and shipped flour in sacks bearing the Maple Leaf label. Even when not a wheel was turning in the big Port Colborne mill, the Washburn-Crosby company was turning out flour for the Canadian company, milled in the United States from Canadian wheat. The Washburn-Crosby company has a United States custom license which permits it to drawback 99 per cent. of the 42-cents-the-bushel duty, when the finished product is exported to Europe or elsewhere.

More than one big Buffalo mill has obtained a license to mill Canadian wheat under the drawback provisions of the Fordney-McCumber tariff.

Port Colborne, where is a large modern mill owned by the Maple Leaf Milling Company is located across the quay from the government elevator, is just nineteen miles farther from

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British American Oil Follows Imperial Oil in Keeping Records Dark

IT IS the feeling of The Financial Post that when a company permits its shares to get wide distribution it has an obligation to those shareholders to make its financial records known to those shareholders. It should go further and make the entire investment community acquainted with the financial results of its operation in order that these shareholders may be protected against market movements based upon ignorance of true conditions.

Two of the largest oil companies, Imperial Oil and British American Oil, have permitted their shares to be introduced to trading on the unlisted sections of important stock exchanges but are singularly averse to giving those shareholders information to which common justice entitles them.

Last week's article detailing some of the activities of Imperial Oil brought the following comment from a man active in the financial community.

> "Your article on Imperial Oil was very timely and to the point. The investing public have a right to demand that a company should publish its annual statements. The attitude of the oil companies has been "to hell with the public," but this day is now past and they have to reckon with public opinion.
>
> "I have been thinking of buying some Imperial Oil and International Petroleum stock for some time but have refrained from doing so because of the fact that I did not have the privilege of going over the balance sheets before making a commitment. The Canadian investing public is entitled to this information."

British American Oil and its policy regarding publication of financial reports are under discussion in this, the second article of this series.

ALTHOUGH a very wide distribution has been gained in recent years for the stock of British American Oil Company, investment houses that have facilitated this movement have been forced to report to prospective investors that "this company does not issue an annual report."

British American Oil is generally rated as the second largest factor in the gasoline business in Canada, ranking second only to Imperial Oil. Its stock is freely traded in and an active market exists. However, the company has followed the policy laid down by the Imperial Oil of declining to make its financial statements public.

At the annual meeting the president reads off the important figures of the year, and gives some information to

(Continued on page 16)

NATIONS LEAGUE REPAIRS INJURY DONE TO CANADA

Revises World Circulated Booklet Leaving Our Gold Out

KEYNES LIE HOLDS

No Withdrawal Yet of Statement, "No Important Gold Finds in Past Twenty-five Years"

The economic section of the League of Nations at Geneva will soon have a new and revised publication available on Currency and Central Banks, which will remedy an injustice done Canada in the first issue of this book published late in 1925. In dealing with the great gold producing nations of the world, it listed them in order of importance as follows: Transvaal, United States, Australasia, other countries. No mention was made of Canada.

It is suspected that the Keynes interests, of London, who not long ago published a book stating that no important gold discovery had been made in 25 years had a hand in this slight on Canada.

Protests were showered out on the league, according to Dr. J. Murray Clarke, K.C., who is just back from Geneva, where he lectured to the Anglo-Genevaise Society on the Precambria in Canada, and as a result the revised and corrected edition is now on the press. It lists the gold producing countries as follows: Transvaal, United States, Canada, Australasia, other countries. The point is also to be made that the increase in the world's gold production is due to Canada.

Incidentally, the Keynes statement has never been corrected in London, and this, coupled with the fact that British engineers, in the early days, condemned the very camps that are producing the bulk of Canada's gold, has undoubtedly held back materially any great interest in Canada's mining development. It explains why British interest in Canada's gold mines is less than 5%.

Vulcan Strikes Gas-Oil Flow

(Special to The Financial Post).

CALGARY.—Vulcan Well in Turner Valley field struck two million feet of wet gas and oil at 4,930-ft. The flow corresponds with that of Royalite Four Imperial Oil well to within five feet in the limestone. The drillers are unable to drill further until the control valve is adjusted, which will hold the tools out of the well until perhaps Friday. A few feet more will show big things. This proves up another large section of the field, Vulcan being 1½ miles northwest of Royalite, and a considerable distance down on the structure. It is 1,200-ft deeper than any well in the field.

Willys-Overland Unit Helps Russell Motor

A few years ago Willy-Overland, held by Russell Motors, was regarded as a doubtful asset. To-day the Willys-Overland has an annual net profit of $1,000,000, and Russell Motors shares in the corporation.

In Toledo, John N. Willys, of the American company, which shares with Russell Motors control of the Canadian company, said:

"Our Canadian unit has been providing a tower of strength, having had in August the biggest month in its history. Net profits of this subsidiary, carried on our books at $1, have lately been running at the rate of $1,000,000 a year."

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Trend of Business and Industry

Background of Canadian Business

WEEKLY REVIEW OF CONDITIONS

Nothing Can Stop Good Fall Trade
Crop Outlook Promising Feature of Business
Steel and Construction Industries on Up-grade
Grand Trunk Settlement Help in British Market

BUSINESS REVIEW

MOST lines of trade have now decided on their requirements for the fall and winter season and while there may be a slight readjustment due to the results of the general election next week, no serious curtailment of operations is anticipated. The continued absence of any pronounced decline of business activity, aside from the usual seasonal recessions, augurs well for the concluding months of this year, which, so far, has been one of the most prosperous experienced in the past five years.

Railway Earnings Are Better

There are signs on every side to bear out this statement. The railways in particular are enjoying an exceedingly good business. Periodical statements of gross and net earnings of the Canadian National and Canadian Pacific railways show large increases as contrasted with the figures of the corresponding periods of last year. At the same time, car loadings—a more accurate index of the trend of business—week by week, on both eastern and western divisions, show a substantial improvement over the same dates of last year. This improvement was not due to any one commodity carried, but to a general increase in volume of all classes of freight handled.

Flour Mills Now Optimistic

Another encouraging feature of the trade situation this year, is the promising outlook for the crops. The somewhat pessimistic reports early in the season have given way to more optimistic ones, which is reflected in other lines of industrial activity. Canadian flour mills, for instance, are looking forward to a more active demand for their products during the next few months. The large crop in the West ensures a good supply of wheat to be ground into flour, and orders from abroad are coming in more freely. Price cutting has been eliminated to a large extent and a number of the plants are speeding up operations.

Building Trades Are Busy

The building and allied trades have been operating at a high level so far and prospects for new work during the balance of the year, presage a continuance of activity. While there was a seasonal decline in the value of work contracted during August—$31,696,500—the total is the second largest in a decade and is well above the average of those years. The cumulative total to date is also considerably in excess of the corresponding figures for 1925. A promising feature of the building situation is that the ratio between contemplated and contracts awarded still continues to decrease, indicating that construction is now closer to the market than at any time in the past few years.

Good Steel Orders Come In

A good sign is seen in the iron and steel industry. Orders for fall and winter delivery are coming in steadily and it is anticipated that the volume to be handled this month will exceed the August total. Most engineering shops are now fairly well booked with fall business of a diversified nature. Additional business is expected as soon as the federal elections are over, which will keep the mills running without any let-up in the rate of production. Prices for steel are somewhat irregular, while there is a likelihood of an advance in pig iron. A spurt has been given to ship building by the announcement of the Canadian Steamship Lines that they will build two boats for the packet freight this winter, to be put into operation next summer.

Merchandise Moves Freely

Wholesale and retail trade is being well sustained and prospects for the coming season are regarded favorably. Sales of seasonable merchandise are of a satisfactory volume and generally ahead of last year. Orders for fall and winter shipment are fully up to normal for this period and if the crop comes up to expectations, greater buying should ensue. Commodity prices fell 2.3 points in August being 153.9, as compared with 156.2 in July. Thirty-five price quotations were higher, 5 were lower and 149 were unchanged. Although four of the main group moved upward and three downward, the decline in the vegetable products group was sufficient to send the total index downward.

Grand Trunk Settlement Aid

Further improvement in the trade relations between Canada and the Old Country should take place as a result of the settlement between the Grand Trunk Pacific four per cent. debenture holders and the Canadian National Railways. This dispute has been going on for some time and has been the cause of considerable friction between interests in the two countries. A prominent Canadian banker in referring to this compromise with the Grand Trunk stockholders, said—".... the proposed settlement would remove a grievance from which, to the disadvantage of Canadian credit in London, the English holders believe they are suffering."

The stock market continues to show a bullish trend, and prices have reached higher levels all along the line. The sentiment on the Toronto and Montreal exchanges is distinctly bullish, and the general feeling among brokers is that the limit of advance has not yet been reached.

Agricultural Survey

Canada Loses in Britain
Better Marketing Needed
Western Crop Normal
Harvester Shortage Relieved

UNUSUALLY bad weather conditions during the past week in the Prairie Provinces have had the effect of interfering with harvesting operations, but the cutting of grain is now practically completed, and threshing fairly general in most districts. Recent heavy rain resulted in the transfer of a goodly number of harvesters to areas unaffected by moisture conditions, which has done much to relieve the acute shortage of labor. The government labor bureaus and railways have also taken steps to see that a sufficient supply of help is available to garner the crops, and it is considered that the situation is now well in hand.

Initial threshing reports substantiate previous statements made in this column that the yield of wheat on the Prairies will measure up to that of last year's. In some districts the yields have been unusually high, running up to 30 and 40 bushels to the acre. The grade is also showing an improvement over that registered in 1925. Owing to unsettled weather, prices for wheat registered a decline from those of the previous week. Cash No. 1 Northern on Sept. 4 selling at $1.44½ and October option at $1.30½. Export trade was just fair. France and Italy are said to have taken more than a million bushels of Manitobas for deferred shipment. A reported short crop of wheat in Manchuria and other parts of China point to an increase in demand for wheat and flour from Canada. Trade volume in oats, rye, and coarse grains was again light, and these markets continued to follow the trend of wheat.

No substantial improvement in the export market for livestock and dairy products can be looked for until the labor situation in England takes on a more normal appearance. Shipments of cattle to the Old Country during the past week were light. Prices were again lower. With the exception of good heavy steers and really choice butchers, all grades recorded a slight drop in price. A similar situation exists in the market for dairy products. Owing to the continued absence of export orders a weaker feeling prevailed and prices registered a decline, but even this did not stimulate the demand to any extent, and only a small volume of business was done. Stocks of butter and cheese on hand at Montreal are usually large for this time of the year for which the demand from overseas buyers seem to be still somewhat indifferent.

Marketing Methods Weak

In connection with the British market for Canadian dairy produce, the recent findings of the Empire Economic Committee on the marketing of foodstuffs within the empire outside of Great Britain, should be given serious consideration by Canadian exporters. Canada until within recent years had been supplying from 60 per cent. to 63 per cent. of the cheese imported from within the empire by Great Britain, the committee reports, but, owing to heavy competition from New Zealand, Canada's contribution now only amounts to 41 per cent. This loss of prestige on the British market is largely due to unsatisfactory marketing methods. There is an apparent lack of cohesion on the part of the different provinces in preparing dairy produce for the British market. A marketing programme whereby a product with one or more distinctive trademarks, put up in an attractive manner, maintaining the quality of a high uniform standard and assuring a steady supply at all seasons, is greatly needed. Much good along these lines has been done by the Federal authorities, but there still remains room for improvement before Canada regains her once high position in the British market.

Canadian Business Indicators

Compiled weekly by The Financial Post

	1926	1925	
Car loadings, week August 28	60,967	55,934	+ 9%
Year to date	1,960,780	1,738,831	+ 12%
Merchandise shipped, year to date	547,785	515,072	+ 6%
Building permits—July (63 cities)	18,717,028	12,812,603	+ 46%
Construction contracts awarded, August	31,696,500	31,207,000	+ 1%
Railway Earnings—Seven Months—			
C.P.R. gross	101,826,207	90,383,867	+ 13%
C.P.R. net	17,877,823	11,186,521	+ 60%
C.N.R. gross	143,516,794	125,914,357	+ 14%
C.N.R. net	17,536,998	5,667,287	+210%
Pig Iron Output—tons, July	67,232	20,946	
Steel Ingot production, July tonnage	64,847	22,471	
6 months to June 30	410,603	413,891	— 0.7%
Employment—August index	104.2	96.3	
Newsprint production—July tonnage	163,037	121,664	+ 34%
Automobiles produced—(Seven months to July 31)	140,086	105,687	+ 32%
Immigration, 6 months to June 30	70,253	43,241	+ 63%
Business failures—No. of firms, July	137	131	
Liabilities, July	2,352,078	2,312,913	+ 1%
Imports of key commodities, 12 mos. ending July—			
Rubber (raw, in pounds)	45,509,551	37,224,426	+ 22%
Cotton (in pounds)	134,658,749	110,514,706	+ 22%
Crude petroleum (in gallons)	613,795,257	493,243,206	+ 24%
Exports of key commodities (12 mos. end. July 31)—			
Canned salmon, lbs.	654,179	754,577	— 13%
Newsprint, cwt. (12 mos. end. July 31)	31,710,901	25,879,134	+ 22%
Wheat flour, bbls. (12 mos. end. July 31)	10,896,654	10,169,692	+ 10%
Wheat, bushels (12 mos. end. July 31)	275,557,078	146,958,158	+ 87%
Grain receipts, August 1 to August 27	2,764,973	3,069,345	— 10%
Bank clearings, August	1,404,101,880	1,246,722,195	+ 12%
Savings deposits, July (chartered banks)	1,329,909,816	1,255,005,214	+ 6%
Current loans, July (chartered banks)	941,501,878	881,263,805	+ 7%
Exports, 12 months to July 31	1,343,968,818	1,093,165,663	+ 23%
Imports, 12 months to July 31	969,296,368	817,683,042	+ 18%
Balance of trade, 12 months to July 31	374,672,450	275,482,621	+ 36%
Price level, June index, 236 commodities	155.7	158.6	
Wheat, No. 1, Nor. Winnipeg, Sept. 7	1.47	1.37	
Cattle—Good, Toronto, Sept. 7	$7.90	Sept. (Aver.) $7.05	
Hogs—Select, Toronto, Sept. 7	$12.75	Sept. (Aver.) $13.33	
Pig iron (Number 1 foundry)			
Bond sales, August	$12,999,645	$1,533,973	
Life Insurance Sales, seven months	268,918,000	244,764,000	+ 8%

KOOTENAY NOW SCENE OF MUCH ACTIVITY

Consolidated Smelters, East Kootenay Power, Crow's Nest Coal Invest New Capital

From Our Own Correspondent.

VANCOUVER.—All through the Kootenay country, new industrial development is going on and several new enterprises have been established during the past few months. For some time the Consolidated Mining & Smelting Co. has been prospecting for calcium phosphates close to Fernie, for use in connection with its sulphuric acid at the smelter, turning it into fertilizer. It is practically assured that phosphates in great commercial quantity are available, and this is expected to mean another development. There are also expectations that the cheap pulp timber in the district will be utilized. At least one company is now making investigations with that end in view.

Six years ago the East Kootenay Power & Light Co. started its first big development at Bull River. Six months after it was completed another big development was started at Elko Falls. This was completed in 1925, and now A. B. Sanborn, manager of the company, announces that a third development, a steam plant, is to be installed at Crows Nest Lake. If necessary, 40,000 additional horsepower is available in the area and it is expected that this will soon be utilized if development continues its present pace.

The industries of the Kootenay country are bringing in millions of dollars and represent an enormous annual expenditure. The Crows Nest Pass Coal Co., to mention only one concern, has paid out **$65,000,000** in expenditures of various character during the past quarter century, and in addition **$18,000,000** to various transportation companies in freight rates.

Canadian Coal Mines Had Busy Month in June

The output of coal from Canadian mines during June was 21 per cent. more than the production for the preceding month, and 47 per cent. greater than the average for June in the past five years. The figures were 1,387,040 tons in June as against 1,138,738 tons in May and an average of 944,942 tons for the month during the five preceding years.

All the coal-producing provinces showed a gain in production over the preceding month, and the outputs of Nova Scotia, Alberta and British Columbia were greater than the averages for the month in the five preceding years.

Comparison of June and May figures covering the total importation of coal showed an increase of 41 per cent. Imports in June amounted to 1,887,031 tons, as compared with 1,337,206 tons in May and the five-year average for June of 1,583,843 tons. June tonnage was therefore 19 per cent. higher than the five-year average for the month. Of the receipts of coal from Europe 440,044 tons came from Great Britain and 23,447 tons were brought in from Germany. The remainder, amounting to 1,842,087 tons, came from the United States. For the first six months of 1926 the total amount of coal imported into Canada was 7,221,924 tons, or 4 per cent. below the preceding five-year average for the period.

Canada Continues Better Feeding of Livestock

That 1925 continued the very marked improvement in the feeding of commercial beef animals shown in previous years, is the encouraging conclusion of the report issued by the Department of Agriculture at Ottawa on the Marketing of Commercial Live Stock in 1925. The report goes on to state that in view of the marked increase in volume over 1924, the quality of the stock which was at its best in 1924, was well sustained in 1925. Both from a crop and a price standpoint, 1925 was an excellent year for livestock producers, although scarcely affected by the good harvest of last year, an outstanding feature being the keen demand for store cattle which was felt chiefly in Manitoba, Ontario, and Quebec. Hog marketings were lighter during the year but in point of quality were the best in the market history of the country. Comment is made on the growing practice of transporting hogs by motor, instead of by rail.

BRITISHERS SEE ALBERTA

A party of British manufacturers visited Alberta during the past week, paying short visits to Edmonton, Calgary and the Prince of Wales ranch.

Open Office in Vancouver

C. P. Porter & Co., have opened offices in the Commerce Building, Vancouver, to handle listed and unlisted securities.

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Canada Gains Future $70,000,000 Market by Australian Treaty

By J. H. McDONALD,

Chairman, British Columbia Division, Canadian Manufacturers' Association.

"Political Football"

"We, of British Columbia, feel keenly that this treaty should not be made a political football," says Mr. McDonald, in a letter enclosing his article.

"The benefits are very apparent to us in this province. It is high time that business treaties of this kind should be considered apart from politics."

Mr. McDonald is president of the British Columbia Manufacturing Company, making boxes and other lumber products.

L. S. Amery, Secretary of State for Dominion affairs, in addressing a meeting of the British Empire Producers Organization, on the subject of preference within the empire, said that the British Empire was the greatest agency for good that the world had ever known and that its future unity, security and healthy development depended not only the happiness and well being of its own people but in a great measure also the ordered and peaceful progress of mankind. He also stated that the full development of the empire could not be achieved except on a basis of whole-hearted, economic co-operation between the various dominions and the Mother Country.

One must not lose sight of this very thing with regard to the Canadian Australian Treaty. The two countries are the bigger sisters in the family of British nations and on several occasions Canada made overtures to our friends in Australia but with a lack of that spirit of give and take nothing came of it until recently, when both countries realizing the necessity of closer commercial ties bridged the gulf and the best deal possible was consummated. Any treaty that binds together in closer commercial and imperial bonds two such large parts of our Empire as Australia and Canada cannot be measured in dollars and cents, and if monetary values are our basis of whether the treaty is good or ill, we have the wrong view point.

Canada Leads in Preferences

It is a matter of no small moment that Canada should be the first of all the units of the Empire to take the initial step in trade preferences and in 1879 the principle was established and as an initial step Canada granted a small preference on all goods coming from Britain. The preference has been increased from time to time since and the principle extended to other overseas dominions until we have reciprocal preferential trade treaties or agreements with New Zealand, Africa, West Indies, and on October 1st, 1925, Australia was added to the list.

Many difficulties faced Australia and Canada in their several negotiations over trade treaties. The fact that both countries are producers of many similar products, particularly agricultural and horticultural products, presented a problem, but as the seasons of production are opposite, Australian winters being our *summers*, and Canadian winters being *their* productive period, this seemed in a large way to take care of itself. Another very great difficulty particularly from the Australian view point, was the balance of trade preponderately in favor of Canada, always, as the following statement of trade with Australia by fiscal years shows:

STATEMENT OF TRADE WITH AUSTRALIA BY FISCAL YEARS

Fiscal Year	Imports from Australia	Exports of Canadian Produce to Australia	Ratio
1917	$ 762,113	$6,549,546	1 to 9
1918	2,356,665	8,751,677	1 to 3½
1919	4,963,446	14,019,629	1 to 3
1920	1,371,775	11,415,623	1 to 9
1921	791,980	18,112,861	1 to 19
1922	1,079,324	10,678,600	1 to 10
1923	1,457,946	18,783,766	1 to 12
1924	1,037,451	19,923,997	1 to 19
1925	2,634,713	12,035,086	1 to 4
1926	3,042,054	15,436,025	1 to 5

If It Had Been Other Way

I would like to ask what Canada's attitude would have been had the balance of trade been the other way. I question if we would have had the good grace to make a treaty, but in the interest of greater imperial unity and whole hearted economical co-operation referred to by the secretary of state, the dollar and pound considerations were given second place, and this is as it should be.

It is true we have given the full British preference to Australia and in return Australia gives us a preference on a limited number of articles, but let us keep in mind first the favorable Canadian balance in our trading in the past and that the treaty is in the nature of a trial and subject to change and alteration by either party giving six months' notice.

Let us see how this treaty is working out. It went into effect on October 1st, 1925, and the fiscal year ends March 31st, so the year ending March 31st, 1926, with six months of treaty conditions we Canadians sold to our friends in Australia $3,400,939 more of our products than during the previous 12 months period, when there were no treaty benefits. What effect in Australian trading during the same period. The Australians sold to Canada during the last fiscal year ending March 31st, which period includes six months under the treaty agreement, $407,341 more that during the twelve months ending March 31st, 1925. The trading increase is more than 8 to 1.

British Columbia is Gainer

Let us narrow this down to a provincial matter and see even then where we stand. The two outstanding products of British Columbia, given preference under the treaty terms are fish and paper. What do we find with regard to these.

In the case of paper. Australia grants to Canada a preference of £3 per ton on newsprint. This will give to Canada practically the whole newsprint trade of Australia, averaging 120,000 tons annually, and British Columbia, on account of its proximity, should supply the major part of it. Why these extensions at Powell River, running into millions of dollars, the re-financing of the Whalen pulp and paper properties, the increase in capitalization of the Westminster Paper Co., and the start of the Scottish Canadian Paper Co. at New Westminster?

All have been given impetus because of the enlarged market given for their products by this Canadian-Australian treaty.

What about fish? Under the terms of the treaty, Australia grants to Canada a preference of $1.40 per case on canned salmon, which practically assures the market to British Columbia salmon. It means that B. C. will supply all of 200,000 cases, used annually, in Australia.

Every salmon packer's stock quoted on the open market has responded in increased value to the benefits given by this treaty.

Indirect Benefits are Legion

Indirect benefits are legion. Have you noted the large new can making plant erected in Vancouver—prompted by larger trading opportunities as a result of this treaty?

Lumber is given no measure of preference under the treaty but it is interesting to note the trend of trading in this commodity. During the first six months of the calendar year 1925 British Columbia shipped 12,188,343 feet of lumber. During the same period in 1926 the shipments were 16,209,879 feet. This is a gain of 33 1/3 per cent.

A lot has been said of the ruinous effect of the treaty on the dairy industry by the lowering of the duties on butter from three cents to one cent, under the terms of preference.

I don't think our informed dairymen are worrying much over importations from a supply of 8,000 miles away, where land values are just as high and higher than our farm values and the living standard of the people the equal of this country.

The protection of one cent per pound duty plus two cents freight plus one cent insurance, exchange and interest, making a total of four cents should be ample protection and as much as the consumer should be expected to stand for on butter retailing from 40 to 50 cents.

One of the Australian dairy journals commented tersely recently on Canada's attitude toward their exports of butter to us and referred to the two sides of the story by saying their dairymen were constantly in danger of being run down by Canadian made Fords. Butter is a product traded in an international way, and the price level the world over is soon reached by means of our refrigerated ships which quickly move butter to a bare market. The time has passed when we store butter in summer to keep us through the winter. We now sell our dairy produce when it is fresh made and Canadian butter has won a place for itself in the British market since we began to do this.

What Really Happened to Butter

Statements regarding the price of butter in Canada since the treaty came into effect appear to have been greatly exaggerated.

What really happened last year with regard to butter was that a seamen's strike in Australia and New Zealand greatly limited shipments of butter from these countries to Great Britain and our butter exporters were called upon for increased supplies, and the prices being profitable, Canada over-exported during our heavy production period to such an extent that dealers in Montreal and other large centres in eastern Canada were actually compelled to buy back butter from Britain during the winter months.

Building Our Export Trade

Canada has to-day the sixth largest export trade and is led only by the United States, Great Britain, France, Germany and British India. In exports per capita Canada has moved from seventh place in 1913 to second place in 1925.

Preferential treaties have had a lot to do with making this possible. Canning, Prime Minister of Britain years ago, once said, "In matters of commerce, the fault of the Dutch is giving too little and asking too much."

Let us not make this mistake but remember the wider we extend our market abroad the larger automatically becomes our home market. If we can get the Australian market for paper alone it will mean the additional employment in Canada to manufacture that one line of 3,000 men and with an average of five dependents it will mean a larger market at our door for one quarter the butter imported from Australia last year.

It is interesting to note that our sales to New Zealand, where we have enjoyed a preference for some years, amounted to $16,561,344 in the last fiscal year.

During the same period our sales to Australia were $15,436,025.

It is reasonable to expect as much trade per capita from Australia, so we have in sight an export trade of $70,000,000 to that country, an amount well worth wooing.

Let us play the game, stop our quibbling and rise above political differences in this treaty and let us so strengthen the commercial and Imperial ties of the three big British dominions on the Pacific and so impress that Imperial conference, convening in October, to delay no longer the establishment of a full measure of preference between the mother country and all the overseas dominions.

CANADA'S FISH REVENUES GOOD IN B.C.; OFF IN N.S.

But Some Improvement in Demand on Atlantic Coast

Reviewing the fisheries of Canada, the monthly letter of the Canadian Bank of Commerce says:

Bad weather hampered sea fishing early in the season, the worst effects being along the Atlantic coast, where for a time the catches were much smaller than in the spring of 1925; in the case of lobster fishing, the results up to May were so disappointing that the government extended the season. With improved weather in the early summer the catches increased quite materially and the total landings to 31st July of lobsters and cod were about equal to those in the corresponding period last year, while the catches of halibut and salmon in the west were less.

There has been a marked reduction in storage stocks of fish during the past year, notably in halibut and salmon, and with no large holdings of the latter on hand fishing on the Pacific coast commenced this year under favorable conditions. On the Atlantic side the situation was quite the reverse; competition from other countries and poor marketing conditions abroad made it difficult to dispose of dried fish except at low prices. There has been some improvement recently in the demand for this product, but the available supplies of old fish, the quantities caught this season off the Canadian and Newfoundland coasts and a 50 per cent. increase in the Norwegian catch keep the market depressed.

Salmon Fisheries of Coast

In view of the great run of sockeyes last year it was expected that a comparatively small pack of this grade, the best of the British Columbia salmon, would be put up this year but early in the season quite large quantities were found in some of the fishing areas in the northern part of the province; latterly, however, the results have not been favorable. It is probable that the pack of the cheaper grades will be large.

Turning to salmon fishing in other countries, it is reported that the season was poor on the Columbia River, but that the Alaskan canneries are putting up a very large pack, especially of pinks. The Japanese canners in Siberia, whose products now sell in Great Britain in larger volume than Canadian canned salmon, are said to anticipate a pack of 150,000 cases in excess of 1925.

The effect of the foregoing developments, the lessened purchasing power in Great Britain and the financial position of France caused some concern as to the market for the Canadian pack, but the demand for sockeyes is strong and it is reported that two thirds of the estimated pack of British Columbia pinks has been sold; consequently, the opening prices, which were higher than in 1925, have been maintained.

It is of interest to note that there is now considerable activity on the west coast of Vancouver Island, where the recent establishment of numerous fish reduction plants provide for the utilization of large quantities of pilchards, fish of the herring family. The oil obtained from these fish is in demand as a base in the manufacture of paint, varnish and soap, and for the preparation of some kinds of medicine.

NEW WHEAT ON MARKET

The first load of new wheat in the Lethbridge district reached Lethbridge the past week and graded No. 1 Northern.

POOL CONTROLS BIG ACREAGE

The wheat pool in Alberta now has under contract three and one-half million acres of wheat, or more than half the total acreage in that crop.

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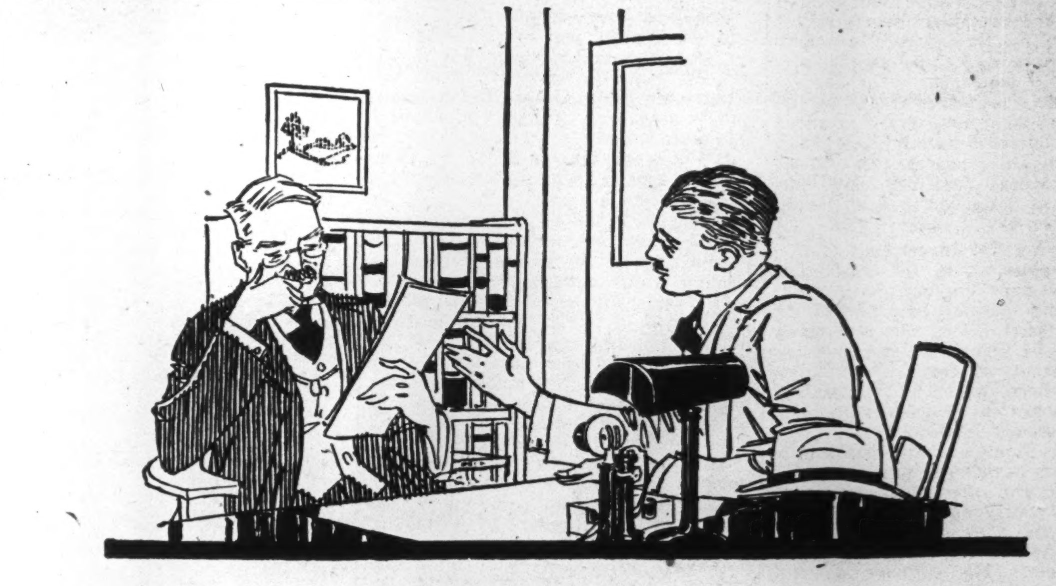

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Securities Markets

STOCK MARKETS AIDED BY BUYING FROM INVESTORS

Individual Advances Generally Seem Justified by Prospects

MARKET INDICATOR

20 Industrial Stocks		
Week of Sept. 8	103.0	100.1
Week of Sept. 1	102.0	96.0
Month of Sept. 1925	82.8	76.9
9 Bank Stocks		
Week of Sept. 8	$225	$224
Week of Sept. 1	224	223
Month of Sept. 1925	215	211
10 Public Utilities		
Week of Sept. 8	97	96
Week of Sept. 1	97	95
Month of Sept. 1925	92	88

Boom markets in securities usually carry their own warning signals. Boom markets nearly always reach a period when the public that is buying the stocks is buying them from those who have made long profits and are shrewd enough to get out. As the stocks are so often bought on margin, an unhealthy situation is created, the amount of actual investment money going in being much less than ought to be represented in such a large total of buying. When any change in business, money markets, or other market influence, occurs to bring about a depression in prices, the people carrying the bulk of the stocks in the market are not in a position to hang on, in fact, do not know whether they should hold or not.

The present rise in investment securities in Canada seems to be distinctive; something different from the ordinary boom market of the kind described. Taking one by one the stocks that have contributed most largely to the rise, there seems ample justification for the advance in nearly every instance and there seems, too, to be ample justification for assuming that there are other stocks on the market that have not fully discounted the better business possibilities ahead of the companies represented. There are some stocks that are now undoubtedly at dangerously high levels, but they are few.

Buying For Investment

Also important is the fact that real investment buying both from Canada and abroad has played an important part in the rise and many thousands of shares of stocks listed on the markets of Toronto and Montreal have been tucked away in safety deposit boxes by investors holding them for steady future income.

It is this fundamental soundness of the present position that is regarded as giving the strongest assurance against an early and sudden break.

During the past week gains on the market outnumbered losses more than two to one. The average advance was small, steady and unaccompanied by individual fireworks displays.

Banks stocks were up, gains being small.

Paper stocks also showed slight gains and there is considerable faith in the present position of pulp and paper securities generally.

Steel securities showed little change, although the junior British Empire Steel issues were a bit firmer, tending to find a level representing the best estimate of their prospects under reorganization. Massey-Harris was by far the most active and strongest issue, both common and preferred showing excellent gains.

In the milling group there were some advances and investors seem to be demonstrating complete faith in the Canadian milling companies' ability to meet their serious foreign problems.

In the utility group, Brazilian came back strong and Winnipeg Electric advanced.

Penman's was the feature of the textiles, climbing to 191 in recognition of the strong financial position achieved.

	Gains	Losses	Unch.	Total
Banks	7	..	2	9
Paper	6	3	5	14
Steel	12	3	15	30
Foodstuffs	12	10	18	40
Utilities	12	8	8	28
Tractions	6	2	6	14
Textiles	4	1	9	14
Industrials	12	5	27	44
Totals	71	32	90	193

Better Potato Crop Promised

The latest forecast of the potato crop for Canada this year shows a yield of 48,281,000 cwts., as compared with 42,379,900 cwts. for last year. The anticipated increase in yield is largely accounted for by the greater production in Nova Scotia, Quebec, Ontario and British Columbia.

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BASEBALL SHARES STRONG AS LEAFS DRAW BIG CROWDS

Over Par is Market For Toronto Baseball Club Stock

Toronto Baseball Club stock, offered recently at par is quoted nominally from 100 to 110, prospects of an excellent year advancing the price.

The Toronto team's sensational advance in the International league, which boosted home attendance, and assured the club of additional profits from the "Little World's Series," with the champions of the American association has helped matters.

The original prospectus was based on an attendance for the year of 250 000 people. This attendance has already been reached and there are still a few games to be played on home soil. Earnings depend entirely upon attendance. Arrangements have already been made to hold rugby matches on the grounds this fall.

The cost of building the stadium was within $5,000 of the original estimates. The ball park cost $650,000 to build. The capital stock of the company is $750,000, all of which has been issued. Of this amount $200,000 was issued to Lawrence Solman for the franchise and players; he also paid cash for more shares. The remainder is closely held by a small group of shareholders. All earnings, nearly $100,000, have been turned back into the business this year.

Prospects are for increased attendance from year to year. Last year, when games were played on Toronto Island, the attendance fell to 110,000 people, but it is expected that 400,000 or more people will be the average attendance in two or three years.

Ogilvie Flour Mills Stock Reaches 200 Mark

From Our Own Correspondent.

MONTREAL. — Coincident with the strength in the shares of the Consolidated Mining and Smelting Company, the shares of the Ogilvie Flour Mills Company again this year reached the 200 mark. As the company is such a large holder in "Smelters," the strength in the latter may have been partly responsible for the increased demand for the shares of the flour milling company, but also the outlook for the millers has improved of late and with the general rise in the market, a company which has the wonderful strength of Ogilvie could not fail but respond to the buoyancy exhibited elsewhere.

If Goodyear Arrears Are Paid, Sinking Fund Starts in Prior Stock

Goodyear Tire has paid off 3½ per cent. of the 5¼ per cent. arrears on its preferred stock. Why did it not pay the balance, since it could not have materially affected the company's position? That is the question now asked.

If Goodyear Tire pays off the 1¾% arrears on its preferred stock this fall, attention will naturally be directed to the 6% prior preference stock. Only these arrears now stand in the way of the commencement of sinking fund operations to redeem this stock. The stock is now selling at 91-93 in a fairly nominal market, but as the redemption price is par and about $100,000 a year would have to be taken off the market, on the basis of present earnings, operations of the sinking fund would no doubt tend to strengthen the market.

The prior preference stock was issued at the time of the financial reorganization of the company a few years ago. An amount of $3,449,800 was given to various creditors of the company in satisfaction of their claims. About $2,800,000 went to the American Goodyear Company. Of the balance, most of the amounts paid have come on the market through sale to the public by various investment houses acting on behalf of the creditor firms.

The prior preference pays 6% dividends. A sinking fund is provided to start after paying all dividends on prior preference and preferred shares. The only arrears on either of these securities is the 1¾% on the preferred. The sinking fund is to be made up of annual payments on the two preferred issues. The sinking fund is unique in that it does not provide for the building up of a fund out of which the directors may at their discretion redeem the prior preference stock. Instead, they are specifically required on June 1 of each year to buy as much stock as they can out of the sinking fund accumulated from the previous year's profits. They may call for offers of stock by tender and if the tenders do not take up the whole amount of cash available they must call in additional stock at par.

There is nothing in the financial position of Goodyear Tire to prevent the directors from paying off the preferred arrears when they see fit. It has been suggested that one reason these dividends have been withheld is the fact that their payment starts the sinking fund working on the prior preference and in conserving cash position they have not been declared.

However, the financial community looks for the deferred dividend at an early date.

Goodyear Tire announced, following a meeting of the board of directors, that two of the three quarters in arrears on the 7 per cent. preferred issue would be paid immediately in addition to the usual quarterly distribution on the same issue. The customary payment of 1¾ per cent. for the quarter will be paid, and also 8½ per cent. on account of arrears, making a total payment on the 7 per cent. preferred of 5¼ per cent. at this time. There will now only remain a single quarter in arrears.

The usual quarterly payment of 1½ per cent. on the 6 per cent. preferred was also authorized.

The directors furthermore declared a quarterly distributon of 1¾ per cent. on the 7 per cent. preferred stock of Goodyear Cotton.

These dividends, payable October 1, will be paid to shareholders on record Sept. 15.

The fiscal year of the company will be concluded on Sept. 30, but the progress made during the past 11 months has been such as to warrant the directors in assuming a generous attitude towards the shareholders, especially those whose return on their investment has been temporarily held in abeyance.

The balance sheet, which will be presented at the annual meeting towards the latter part of October, it is said, will reflect a most successful year's business.

Building Products Shows Better Profits for 1926 Year

Shares of Building Products have been firmer as a result of big construction programmes throughout the country.

The company is a merger of two companies in the building supply field: Bird & Son, and Ruberoid Co., both manufacturers of roofing materials.

Preferred stock has been in demand around 89.

Some information has been elicited from an official of the company regarding current business.

The savings and the added strength of the position, which were estimated prior to the formation of Building Products, he says, are very much in evidence. While the official figures of profits for the first six months of 1926 are not available, it is understood that they are greatly in excess of those for the same period of 1925. July experience has been very satisfactory, and every indication at present points to profits for the balance of the year being good. It is stated that the net profits for the year 1926 likely show several times the preferred stock dividend requirements.

In June, 1922, an issue of $400,000 of 7 per cent. cumulative preferred stock of Bird and Son, was made. This received dividends regularly each quarter. In connection with the present merger this $400,000 was converted into 7 per cent. cumulative preferred stock of Building Products, Limited, and $350,000 of the same class stock was issued to the Ruberoid interests, making $750,000 at present outstanding.

No Compromise in Security Values

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INVEST IN CANADA

The following issues of Canadian Public Utility and Industrial Companies are representative of a broad list of securities which we have investigated and which we recommend for investment. Full particulars of these issues will be gladly furnished upon request.

SOUTHERN CANADA POWER COMPANY, LIMITED—*5% Bonds due 1955.* Serves 80 municipalities in the Eastern Townships of the Province of Quebec. Owns or controls under leases 160,000 H.P., of which 54,000 H.P. is developed.
Price...97 and interest, to yield 5.20%.

NORTHERN CANADA POWER LIMITED—*6% Bonds due 1945.* Controlled by Canada Northern Power Corporation, which Company serves the mining camps of Northern Ontario.
Price...101.50 and interest, to yield 5.90%

OTTAWA-MONTREAL POWER COMPANY, LIMITED—*6½% Bonds due 1949.* Serves over 40 municipalities located in the Ottawa Valley, in that territory lying to the west and north of the Island of Montreal.
Price...103 and interest, to yield 6.25%.

OTTAWA RIVER POWER COMPANY, LIMITED *6½% Bonds due 1953.* Delivers power in the City of Ottawa under contracts with the Hydro-Electric Commission at Ottawa and the Ottawa and Hull Power Company Limited.
Price...103.25 and interest, to yield 6.25%.

ST. LAWRENCE PAPER MILLS, LIMITED—*6½% Debentures due 1936.* Owns a most modern low cost mill with a present capacity of 150 tons of newsprint and 100 tons of sulphite pulp per day. Now doubling its present newsprint capacity.
Price...100 and interest, to yield 6½%, carrying warrants to purchase three shares of Common Stock.

EASTERN DAIRIES, LIMITED *7% Preferred Stock.* Owns and operates dairies in the Cities of Montreal, Toronto and Ottawa. Distributes Milk, Cream, Butter and Ice Cream.
Price...100, to yield 7%, carrying a bonus of one-half share Common with each share of Preferred.

EAST KOOTENAY POWER COMPANY, LIMITED—*7% Preferred.* Operates two hydro-electric plants in British Columbia, serving the Consolidated Mining and Smelting plant at Kimberly, the cities of Cranbrook and Fernie, and the Coal Mines in the Crows Nest District. *Price 100, to yield 7%.*

Write for circular No. Y22 showing a diversified list of Canadian Investment Securities.

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LIMITED
ROYAL BANK BUILDING - - TORONTO 2
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Russia May Buy Cars

It is understood that purchases in Canada of 5,000 railway cars may result from the visit of the engineering expert, Mr. Vandergulcht, and the Transport Commissariat's representative, Mr. Baronsky, who have been delegated by the Soviet Republic to investigate the possibility of securing this number in Canada. They have also been instructed to make a study of the organization of the Canadian railway shops and the repair methods in general.

Endurance

Graham Brothers Trucks are built to *endure.* That is why they make such mileage, last so long—and sell so readily to careful buyers.

[*Graham Brothers Trucks, with Dodge Brothers ¾-Ton Commercial Cars, meet 90% of all hauling requirements.*]

1-Ton Chassis (G-BOY) - $1105
1½-Ton Chassis - - - 1545
2-Ton Chassis - - - - 1785
f. o. b. Toronto, taxes to be added

GRAHAM BROTHERS (CANADA) LIMITED
Toronto Ontario
TRUCK DIVISION OF DODGE BROTHERS (CANADA) LIMITED

GRAHAM BROTHERS
TRUCKS
SOLD BY DODGE BROTHERS
DEALERS EVERYWHERE

Stock Market Record

WEEK ENDING SEPTEMBER 7

	Div. Rate	Yield Sept. 6	High for wk.	Low for wk.	Close Sept. 7	Close Aug. 31	Sales for wk.	Range, 1926 High	Range, 1926 Low
Banks—									
Commerce	12+1	5.85	223	221	222½	222	89	226	214
Dominion	12+1	6.23	209	208	209	208	41	219	207
Can. Nationale	10	6.28	159	159	159	158	9	170	157
Imperial	12+1	6.33	205⅛	205	205	205	37	215½	200
Montreal	12+2	5.20	269	268	268	266½	87	272	251½
Nova Scotia	16	5.46	295	293	295	295	14	300	281
Royal	12+2	5.62	252½	249	252½	250	190	255⅛	248
Standard	12	6.28	195	195	195	191	5	200	190
Toronto	12	5.47	220	219	220	217	34	222	213
Paper—									
Abitibi, com. (no par)	4	4.40	91¾	88¾	91	91	7797	91¾	70¼
Do. pref.	7	6.42	..	...	...	...	...	116	106¾
Belgo-Can. pref.	7	7.07	100¾	98½	99½	100¾	85	101	95¾
Brompton (no par)	.	....	33⅝	33	33	33	661	35¼	26
Laurentide	6	5.91	102½	100⅞	101½	101¾	2502	108½	81½
Price Bros. com.	2	2.68	76½	74½	75	76	540	76¾	57
Do. pref.	6½	6.43	101	100	101	100½	297	101	95
Prov. Paper, com.	6+1	6.54	108	108	108	107	75	108	100
Do. pref.	7	6.60	..	...	...	...	...	106½	100
Smith, Howard, com.	.	....	56	55	56	55	447	58¾	38
Do. pref.	8	7.84	102	100¼	101½	100½	195	102	92¾
Span. River, com.	7	6.40	110½	108	109½	108½	2942	111	96½
Do. pref.	7	5.98	118	117	118	118	265	119	108
Wayagamack	.	....	95½	91¼	95	94	680	99	56
Steel and Steel Industries—									
B. E. Steel, com.	.	....	½	½	½	1	300	3½	¼
Do. 1st pref.	.	....	15	15	15	11	190	30	9
Do. 2nd pref.	.	....	2½	2	2½	2	925	10¾	1
Can. Car & Found. com.	.	....	38¼	38	38	39½	130	49	33
Do. pref.	7	8.38	85	83	85	83	1835	85¾	73
Can. Fairbanks, pref.	.	....	..	...	...	...	...	60	60
C. G. E. com. (par $50)	.	....	53	53	53	48	3	53	47
Do. pref. (par $50)	7	6.27	55¾	55¾	55¾	55	15	60	48
Can. Locomotive, com.	.	....	..	...	...	...	...	42	35
Do. pref.	7	8.23	85	85	85	82	40	89½	73
Canada Iron, com.	.	....	..	...	...	...	...	10	9
Do. pref.	.	....	..	...	...	...	...	42	39
Can. Forgings, pref.	.	....	..	...	...	...	...	50	41½
Dominion Coal	.	....	52	52	52	52	35	52	40
Dominion Iron, pref.	.	....	..	...	...	...	...	24¾	5
Dominion Bridge	4	3.84	107⅜	103	107	103½	1345	107⅜	86
Dom. Radiator, pref.	7	6.89	..	...	...	...	...	103½	100¼
Dom. Steel Corp. pref.	.	....	..	...	...	...	...	25	10⅝
Ford Motor	10	....	..	...	...	...	...	622	500
McK. Ind., c. (no par)	.	....	24½	24	24	25	50	26½	15
Do. pref.	7	7.77	90	90	90	90	72	92	87
Massey-Harris, com.	.	....	69¼	64½	68¾	64	5292	69¼	40
Do. pref.	7	7.03	99½	97	99½	97	983	99½	93
N.S. Steel, pref.	.	....	..	...	...	...	...	25	25
Ontario Steel, com.	4+1	6.66	75	75	75	75	201	76	60
Do. pref.	7	6.86	103	102	103	100	70	103	98
Russell Motor, com.	3	7.31	..	...	...	...	...	42	39
Do. pref.	7	7.60	93	93	93	92	20	93	76
Sawyer-Massey, pref.	.	....	..	...	...	...	...	13	5
Steel of Canada, com.	7	6.42	109	108½	109	109	555	109	95⅛
Do. pref.	7	5.69	123	121	122	121	75	123	114
Milling and Foodstuffs—									
Arnolds, com. (no par)	.	....	19¾	19¾	19¾	20	40	26⅝	18
Do. pref.	7	7.77	90	90	90	90	5	92	89½
Atlantic Sugar, com.	.	....	26¼	24¼	25½	26	410	33⅞	21½
Do. pref.	.	....	80½	80	80½	80	105	88	75
B. C. Fishing	5	6.66	75½	71¾	75	72¾	1275	78	57¼
Can. Bread, com. (no par)	$2.50	....	88	82¼	88	82	410	88	53
Do. pref. (A)	7	6.36	..	...	...	...	...	110	105
Do. pref. (B)	7	6.66	105	104	105	103	7	105	96¼
Can. Canners, com.	.	....	13½	12¾	13	13½	158	15	12
Do. pref.	4	5.88	68½	67½	68	68	545	70	60
Canadian Salt	8	6.38	..	...	...	...	...	145	124
Christie Bisc. c. (no par)	.	....	..	...	...	...	...	63½	44¼
Can. Bak. c. (no par)	.	....	35	34	35	34	55	37¾	26½
Do. pref.	7	7.52	93¼	92	93	94½	48	98½	92
City Dairy, com. (par $25)	12	3.77	82½	74½	80	74⅛	1470	82½	65½
Do. pref.	7	6.36	..	...	...	...	...	112	107
Cuban Can. Sugar, com.	.	....	..	...	...	...	...	5	3
Do. pref.	.	....	..	...	...	...	...	28	21½
Dom. Stores, c. (no par)	$2.40	3.82	63½	62	63½	62¾	599	68	56
Do. pref.	8	6.89	..	...	...	...	...	116	106
Wm. Davies (A) (no par)	.	....	30½	29	29½	31	100	37½	29
Do. (B) (no par)	.	....	12	10	11	10	241	12	10
Inter. Milling, pref.	7	7.01	99	99	99	99	5	105¼	98½
Lake of Woods, com.	12	7.31	164	160	164	156	80	175	139
Do. pref.	7	5.93	..	...	...	...	...	118	115
Loblaw, com.	$1.00	....	31	31	31	31	115	31	29¾
Loblaw, pref.	7	6.86	102	102	102	102	10	102	100½
Maple Leaf Mill, com.	.	....	60	59	60	59	260	88	50⅛
Do. pref.	7	7.36	95	93	93	98	14	102	90
Ogilvie Flour, com.	5	2.52	200	198	200	195	300	200	165½
Do. pref.	7	5.98	..	...	...	...	...	125	117
Pure Gold Mfg. (no par)	50c.	....	..	...	...	...	...	23½	17½
Shred. Wheat, (no par)	75c.	5.60	54	51	53⅞	50	1420	54	47½
St. Law. Flour, com.	.	....	..	...	...	...	...	45	26
Do. pref.	7	8.38	..	...	...	...	...	84	80
Viau Biscuits, com.	.	....	28	28	28	27¼	3	28	18
Do. pref.	7	8.02	..	...	...	...	...	89	85
Western Groc. c. (new)	.	....	26	25	25	27	110	27	24
Do. pref. (new)	7	....	70	69	69	70	89	70	62
West. Can. Flour, com.	25c.	....	18½	18	18	18½	15	18¾	18¼
Do. pref.	6½	6.56	99	97⅜	99	..	40	99	97⅜
Utilities—									
Calgary Power	.	....	..	...	...	...	...	52½	51
Bell Telephone	8	5.77	138½	138	138⅜	138½	733	141	136
Consumers Gas	10	5.71	175	174	174	175	5	183⅞	170
Inter. Util. (A) (no par)	87¼	....	..	...	...	...	...	38½	31¼
Can. Gas Rights	.	....	..	...	...	...	...	4.85	3.90
Cedar Rapids	3	....	..	...	...	...	...	50	40
East Koot. Power	.	....	..	...	...	...	...	32	25
Jamaica Pub. Ser. pref.	7	7.17	97½	97	97	97	6	99¼	96½
Laurentide Power	5	4.34	115	114	115	110	180	115	100
Mackay, com.	7	5.22	134½	134	134	135	75	136½	129
Do. pref.	4	5.53	72¼	72	72	72½	107	73½	68¾
Mexican Light, com.	.	....	..	...	...	...	...	31⅞	29
Do. pref.	.	....	83	83	83	86	100	86	64
Mont. L. H. & Pr. com.	.	....	71	66⅛	71	65⅞	29921	71	59
Minn. St. Paul	.	....	44¼	43¼	43½	43	125	44¼	35½
Montreal Teleg. (par $40)	8	6.61	48½	48½	48½	48	25	51¼	48
Ottawa & Hull Pr., com.	.	....	29	29	29	26	5	30¾	25
Do. pref.	.	....	50⅛	49⅞	50	49⅞	15539	50½	48¼
Ottawa L. H. & Pr. com.	6	6.15	..	...	...	...	...	100	92
Do pref.	6½	6.31	103	103	103	101½	25	105½	100
Quebec Power, com.	5	3.73	134	133½	134	133	360	134	113
Do. pref.	7	6.35	112	112	112	112½	24	16	109¼
Shawinigan	8	3.60	224	220	224	224	1309	224	167½
South. Can. Power, com.	2.00	2.15	93	91	91	93	95	98	81
Do. pref.	6	5.94	101	100	101	100½	25	104½	99
Transportation—									
Can. Pacific Rly.	10	5.92	1-69	165⅛	167⅝	168½	124	169	147
Can. Steamships, com.	.	....	30	27	30	27¼	2048	30	11
Do. pref.	.	....	88	83½	87¾	84	6667	88	56
Do. voting	.	....	29⅝	27¼	29⅝	27¾	1066	29⅝	11
Tractions—									
Barcelona (par $50)	.	....	38½	38½	38½	39⅞	50	40½	26
Brazilian, com.	5	4.29	119	115½	118⅝	116½	25095	119⅝	80
Do. pref.	6	5.63	106½	106½	106½	106½	271	106½	97½
Detroit Un. Rly.	.	....	2	2	2	1¾	10	3½	1¾
Duluth-Superior	.	....	30	30	30	29½	30	33¼	25
Illinois Traction, pref.	6	....	..	...	...	...	...	96¼	96¼
Montreal Trams.	10	5.79	171	171	171	171	5	178	159
Ottawa Traction	4+1	7.56	66	66	66	66	350	66½	60
Porto Rico Rlys. com.	.	....	44	44	44	44	12	47	40
Do. pref.	7	7.77	90	90	90	88	90	91	85½
Twin City, com.	5	7.11	70¼	70	70	70¼	821	79½	68¼
Do. pref.	7	6.86	..	...	...	...	...	103	102
Winnipeg Elec. com.	1	....	58¼	55	58	54½	10845	58¼	45¼
Do. pref.	7	6.93	101	100	101	99½	40	101	95
Textiles—									
Can. Conn. Cotton, pref.	4	....	..	...	...	...	...	49	37
Can. Converters	7	7.36	95	93½	95	93½	127	95	90
Can. Cotton, com.	8	6.92	115½	115½	115½	115½	5	124	118
Do. pref.	6	6.31	95	94	94	94	35	99½	93½
Can. Woollens, com.	.	....	7	7	7	8	13	8	4
Do. pref.	.	....	50	45	48	48	285	50	45
Dom. Textile, com.	5	5.20	97	96	96	95½	1288	103½	89
Do. pref.	7	5.98	..	...	...	...	...	122	115
Monarch Knitting, pref.	.	....	..	...	...	...	...	50	45
Montreal Cottons, com.	6	5.35	..	...	...	...	...	112	102
Do. pref.	7	6.06	..	...	...	...	...	115½	110
Penmans, com.	8	4.18	191	188	191	187½	326	191	173
Do. pref.	6	5.88	..	...	...	...	...	104½	101¼
Wabasso Cotton	4	5.06	79	76	79	75	75	79	60
General Industrials—									
Amer. Sales c. (par $20)	4	6.25	..	...	...	...	...	70	54
Do. pref.	7	7.21	97	96½	97	97	43	98	92
Asbestos Corp. (new)	.	....	21¾	19	21¾	21	1490	24½	16½
Do. pref.	7	9.33	76¼	73	76	73	2115	79¾	62
Building Products, pref.	7	7.95	88	88	88	88	5	89	83
Brant Cord. pf. (par $25)	8	8.00	25	24½	25	24⅝	264	27½	24½
Burt, F. N. com.	12	5.35	57½	55⅛	57½	57	195	67½	50
Canada Cement, com.	6	563	107	106	107	106	85	111½	98
Do. pref.	7	615	114	113¾	113¾	114	93	120	113
Cons. Rubber, pref.	7	8.00	..	...	...	...	...	87½	86½
Can. Ind. Alc. (no par)	1.28	6.09	21¼	20¼	20⅞	21¼	9663	21¼	16¼
Crow's Nest Coal	6	8.60	..	...	...	...	...	85	51
Dom. Glass, com.	7	7.52	94	93	93	95	270	105	85
Do. pref.	7	6.69	104½	104½	104½	104½	10	111	104½
East. Theat. c. (par $25)	.	....	..	...	...	...	...	30	18¾
Do. pref.	7	7.52	93	93	93	93	30	93	83
Famous Players, com.	.	....	..	...	...	...	...	18½	11
Do. pref.	8	8.88	90	90	90	90	35	94¼	88
Gilman, com.	6	4.80	125	125	125	125	40	126	104½
Do. pref.	7	5.38	130	130	130	130	5	130	113½
Goodyear Tire, pref.	7	7.14	98⅛	96½	98⅛	97¼	290	98½	85
Holt Renfrew, pref.	7	8.14	..	...	...	...	...	90	85½
King Ed. Hotel	.	....	..	...	...	...	...	41	25
Kelvinator, com. (no par)	.	....	17	15	17	15	52	20¼	14
Do. pref.	7	7.60	91½	91	91	91	20	93⅞	88
Lyall Construction	.	....	39	39	39	39	5	48	20
Nat. Brew. com. (par $25)	4	5.88	68½	66¾	67¼	67½	4835	69⅛	56
Do. pref.	7	6.73	106	106	106	104	40	110	104
Nat. Brick, com.	.	....	8	8	8	8	100	12½	8
Do. pref.	7	11.20	63	62½	62½	60	101	72	60
Pacific Burt, com.	6	6.38	..	...	...	...	...	110	90
Do. pref.	7	6.79	103	103	103	103	3	110	102
Port Hope San., com.	3	3.15	..	...	...	...	...	95	74½
Do. pref.	7	6.86	..	...	...	...	...	105	99
Rogers, Wm. com.	.	....	61⅞	60	60	60	15	67	45
Do. pref.	7	7.60	93	91½	93	91½	135	97	90
Sher-Williams, com.	6	4.38	137	137	137	137	135	138	125
Do. pref.	7	6.08	..	...	...	...	...	115	110½
Sterling Coal	4	10.12	39½	39½	39½	39	10	43	37
Tooke Bros. com.	.	....	..	...	...	...	...	8	8
Do. pref.	.	....	62½	62½	62½	62¼	100	62½	55
Tuckett Tobacco, com.	4	6.45	..	...	...	...	...	65	58
Do. pref.	7	6.66	..	...	...	...	...	105	100
Woods Mfg. com.	.	....	47	47	47	48	7	48	38
Do. pref.	7	8.04	..	...	...	...	...	90	77¾
Standard Chem. pref.	.	....	..	...	...	...	...	9	9
Trust and Loan—									
Central Canada	12	....	..	...	...	...	...	210	210
Can. Landed (par $50)	10+1	5.97	..	...	...	...	...	100	90
Can. Permanent	12	5.71	210	209½	209½	210	4	210	202¼
Colonial Invest.	6	....	6½	6½	6½	6½	13	7	4
Hamilton Prov.	10	6.36	..	...	...	...	...	157	157
Huron & Erie	7+½	5.63	..	...	...	...	...	183	127½
Landed Banking	9	5.76	156	156	156	150	15	156	150
Montreal Loan (par $50)	12+1	6.50	..	...	...	...	...	50	50
National Trust	12	5.00	240¼	240¼	240¼	240⅛	2	245	232½
Ontario Loan (par $50)	11	5.28	..	...	...	...	...	106	103½
Real Estate Loan	7	8.23	..	...	...	...	...	85	85
Toronto Gen. Trusts	12	5.33	..	...	...	...	...	225	220
Toronto Mtge. (par $50)	10+1	5.61	..	...	...	...	...	100	93½
Union Trust	7	7.07	..	...	...	...	...	101	98

THE CURB MARKET

	Div. Rate	Yield Sept. 6	High for wk.	Low for wk.	Close Sept. 7	Close Aug. 31	Sales for wk.	Range, 1926 High	Range, 1926 Low
Andes Pete	.	....	..	...	...	...	...	6⅝	6⅝
Attendu Eng.	.	....	33¼	29½	32	29½	1485	43¼	7
Beacon Oil	.	....	19½	17½	19½	17	805	19½	14¼
Belding Pref.	7	8.75	80	80	80	81	125	101	75
Brit. Amer. Oil (par $25)	10	4.27	58½	57½	58¼	57½	751	60	47
Can. Nor. Pr. com.	.	....	..	...	...	...	...	30	28
Can. Oil, com.	1¼	5.74	87	87	87	84	1	87	65
Do. pref.	8	7.14	112	112	112	112	45	112	100
Cockshutt pref.	.	....	68½	68	68½	68	160	69	57¼
Continental Oil	1.00	....	20½	20½	20½	21¼	25	26	20
Dom. Eng.	.	....	90	90	90	90	50	90	65
Dryden Power (no power)	.	....	11	9	9½	8½	630	11	5½
East. Engineer.	.	....	..	...	...	...	...	2½	1
Eng. Elec. com. (no par)	.	....	..	...	...	...	...	24½	15
Do. pref.	.	....	..	...	...	...	...	73	59½
Good & Worts (new)	.	....	34½	30½	34¾	30⅞	6580	34½	27½
Illinois Power, pref.	7	7.07	99¼	99¼	99¼	99½	10	99¾	96
Imperial Oil	1.00	2.70	37½	36¾	37	37	2296	38½	32½
Inter. Petroleum	75c.	2.20	34¾	34⅛	34½	34¾	1035	35½	29¼
Manitoba Power	.	....	41½	41	41	40	15	43	24
Newsprint Corp.	.	....	..	...	...	...	...	27	18
North Star Oil co. (par $5)	.	....	..	...	...	...	...	1.25	.75
Do. pref.	7	....	4.85	4.85	4.85	4.90	100	4.90	4.50
Nor. Mex. Pr. com.	.	....	..	...	...	...	...	55	40
N. S. Car. com.	.	....	..	...	...	...	...	15	5
Page Hersey com. (new)	2.00	4.08	47½	46¾	46¾	46½	49	49	43
Do. pref. (new)	$1.75	6.86	103⅝	100½	103⅝	102	479	104	100½
McColl Oil, com.	.	....	22⅝	20¾	22⅜	21	2228	22¾	18⅞
Do. pref.	.	....	99½	99⅜	99½	99½	45	99½	99⅜
Paton Mfg. com.	.	....	..	...	...	...	...	55	50
Do. pref.	.	....	99	99	99	98	20	99	75
Power Corp. (no par)	.	....	23	23	23	23	150	28¼	22
Pressed Metals	.	....	38½	38½	38½	40	20	40	30
St. Law. Pr. (no par) pref.	.	....	47	45	45	45	30	50	35
St. Maurice Pr.	.	....	78	76	78	75	17	82	72½
St. Maurice Valley	.	....	65	60	65	60	1524	65	40
R. Simpson, pref.	6	6.00	..	...	...	...	...	102	99
Toronto, R. S.	.	....	1.55	1.55	1.55	1 55	10	1.60	1.10
Un. Secs. com.	.	....	50	50	50	50	42	65	50
Do. pref.	6	5.88	102½	102	102½	102	20	105	102
Volcanic Oil	.	....	..	...	...	...	...	29	26

UNLISTED SECURITIES

	Bid	Asked
Can. Machinery, com.	7	9
Can. Westinghouse, com.	165	170
Cosgrave Brewery	3	3½
Cosmos Imp. Mills, com.	12½	15
Dom. Power, pref.	97	99
Farmers Dairy, com.	45	..
Dunlop Tire, pref.	80	85
B. Greening Wire, pref.	92	95
Gunns, Ltd., pref.	29	31
King Edward Hotel, Deb. A.	78	81
King Edward Hotel. Deb. B.	58	61
Loew's Buffalo, pref.	50	60
Loew's London, com.	3	3½
Pure Food, com.	32	34
Mount Royal Hotel, pref.	37	39
Nat. Grocers 1st pfd.	..	95
Nat. Grocers, com.	5	8
Willard's pref.	69	72
Capital Life 25% paid	20	25
Continental Life 20% Paid	34	..
Crown Life	122	..
Empire Life	24	..
Excelsior Life 29% Paid	57	..
Great West Life	420	..
Imperial Life	325	..
Monarch Life 10% Paid	25	..
Mortgage Discount, pref.	6.9/10	7¼
Ontario Equitable	..	25
Re-Insurance	..	25
Security Life 40% Paid	28	32
Sherbrooke Trust	110	..
Sovereign Life, 25% Paid	27	30

UNLISTED BONDS

Abitibi 6% 1940	102¾	..
Algoma Steel 6% 1962	..	29
Belding 5% 1936	89	..
Belgo Can. Paper 6% 1943	..	100½
Bell Telephone 5% 1955	99⅞	100¼
Burns, P. & Co. 6½% 1943	103	104
Can. National Rly, 5% 1954	100⅞	101½
Calgary Brewing 5% 1942	83	..
Can. Steamship Lines 7% 1942	104¾	..
Can. Pacific Rly, 5% 1934	100	100⅝
Can. Pacific Rly. 4½% 1944	93⅜	93⅞
Can. Steel Foundries 6% 1936	102	..
Dom. Textile 6% 1949	106¾	..
Duke Price 6% 1966	102½	103
Frontenac Brewery 6% 1951	98	..
H. Smith Paper, 7% 1941	100	100½
Laurentide Power 5% 1946	100	..
Laurentian Power 6% 1936	..	101½
Prov. of Ontario 5% 1948	100⅞	101⅝
Ontario Pulp 6% 1931	106¾	..
Price Bros. 6% 1943	103	103½
Quebec Power 6% 1953	103	104
Winnipeg Elec. 6% 1954	95½	96½
St. Maurice Power 6½% 1953	108½	108⅞
Jam. Pub. Service 6½% 1943	102½	103½
Span. River P. 8% 1941	106¾	..

Ste. Anne Paper Company Bonds Will Soon be Sold

From Our Own Correspondent

MONTREAL.—It is understood that the financing plans of the St. Anne Paper Company have been completed and that shortly an issue of $5,000,000 twenty year, 6½ per cent., first mortgage bonds will be offered the public. The offering will be made simultaneously in Canada and in the United States. In Canada, the syndicate which will handle the new issue will be composed of Wood Gundy & Company; Peabody, Houghteling and Company, and the Societe de Placements du Canada; in the States, the bonds will be offered by Peabody, Houteling and Company and Wood, Gundy and Company, Incorporated.

The company's plant is being erected at the junction of the Ste. Anne and St. Lawrence Rivers near Beaupre, P.Q., which is some 22 miles below the city of Quebec. The mills will have a capacity of 250 tons a day of newsprint and will be self-contained, producing both the groundwood and sulphite pulp necessary for such a production. The company is controlled bv the same group of interests which also control the Manitoba Paper Company and the Fort William Paper Company.

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Canadian Pacific Railway Company
Department Colonization and Development.
J. S. DENNIS, Chief Commissioner.
Windsor Station, Montreal, Can.

Canadian National Railways
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NEWSPRINT AGAIN BEING STRESSED AS INVESTMENT

Growth of Consumption Exceeded All Expectations—Three Stocks Reviewed

From Our Own Correspondent.

MONTREAL. — During the early months of 1926, it would not be an overstatement to say that 95 per cent. of the executives in the newsprint industry viewed with alarm the tremendous increases in the output which were to come on the market between the months of March and August. But the anticipated increase has made its appearance and, what is more, it has done anything but dislocate the market for the product. And to-day it is also safe to say that the strength of the market for newsprint is a surprise to practically all the insiders. There are exceptions, of course, but they are few and far between. Incidentally, as far as the investor is concerned, it will be agreeable news to note that projected increases in the output at the present time are not as large as they were just one year ago. It was at the latter date that many who had faith in the industry's ultimate future, began to feel that 1926 would bring about overproduction, but it has not come, and as far as can be seen at the moment, shows no signs of coming.

Thus it is that there prevails today a spirit of optimism about the future of the newsprint producers as a whole, and brokers' letters now indicate that many of the newsprint stocks will prove satisfactory purchases.

One, such as this, has recently been issued by Craig, Luther and Irvine, which deals with three of the leading newsprint securities as follows:

Laurentide

The publication of the financial statement of the Laurentide Company covering the fiscal year ended June 30, 1926, served to clear up any doubts that may have existed as to the ability of the newsprint companies to compensate, by increased production and a cutting down of costs, for the reduction in the price of newsprint this year from $70 to $65 per ton. As a matter of fact, the actual reduction for the twelve months under review averaged $4 per ton, as in the latter part of 1925 there was a cut from $73 to $70, making the average for the 1925-6 fiscal year of Laurentide $67.50 per ton, as compared with $71.50 per ton for the preceding year. The Laurentide statement not only showed earnings virtually equal to last year's with 6.62 per cent. available for dividends as compared with 6.63 per cent. the previous year, but a marked strengthening in the position of the company in the following directions: Bank loans of $2,315,308 entirely wiped out; cash up from $8,793 to $358,153; inventories down from $4,199,935 to $2,922,237 so far as logs and supplies are concerned; and net working capital increased from $7,306,728 to $7,966,604. The absence of bank loans is a condition that has not been duplicated since 1919.

The report effectively emphasizes the ability of Laurentide to earn and pay its regular dividend of 6 per cent. under existing conditions of the newsprint industry. Undoubtedly, back of the recent demonstration that led to an advance in the stock to over par, is the firm belief that eventually there will be a consolidation of the majority of the newsprint mills in the St. Maurice valley. In addition to this probability there always exists as a growingly strong asset, the control by Laurentide of the Laurentide Power Company. These two factors, in relation to the future of Laurentide, seem bound to provide a wider following for this security among investors.

Spanish River

There is always connected with Spanish River securities the feeling that the absence of a split in the stock, that was carried out by most other newsprint companies, will work out in some way to the especial advantage of the shareholders. The preferred stock has the merit of participating with the common in any increase in the present dividend rate of 7 per cent. on each. Altogether, the company manifests a steady growth in financial strength, and its securities retain their attractiveness as investments.

Abitibi

This company has been recovering rapidly during the past couple of years from the conditions that are inseparable from the construction period, during which its output was increased from 235 to 525 tons daily. Year by year it is building up reserves and adding to its net working capital. A very desirable addition to its assets was the hydro-electric plant that it acquired from Hollinger Gold Mines, and which already it has nearly doubled. This has placed the company in an admirable position for further extensions to its present newsprint capacity. Another factor that is bound to add materially to investment support of Abitibi's common stock is the ability the company has shown to earn a wide margin above ordinary dividend requirements. In the past year there was available for the common stock $11.20 per share, and $10.95 the previous year, and $9.59 for 1923. It seems probable that the earnings of the company for the current year will run close to those of last year at least. Such a condition is resulting in very marked increases to reserves each year through current surpluses, that of 1925 being over $7 a share or a total of $1,799,916, added to one of the previous year of $1,737,787; another of $1,396,768 for 1923, and $1,312,323 for 1922. This unusual earning power is due to the mill being one of the lowest cost producers in Canada, and this condition is bound to attract favorable attention to the company's securities.

Anticosti Corporation Forms Shipping Company

From Our Own Correspondent.

MONTREAL.—The Anticosti Corporation has incorporated a subsidiary known as the Anticosti Shipping Company. The latter has wide powers under its charter, but as yet, it has not been decided just exactly what the functions of this subsidiary will be. The Anticosti Shipping Company could, of course, handle all the transportation of the logs from the island to the three parent companies namely, Port Alfred, St. Maurice Valley and Wayagamack. At the moment, it is not thought that the new company will undertake this task and that probably the pulpwood will be handled by one of the established shipping companies. However, the Anticosti Corporation could, if necessity arose, undertake the transportation of its output of pulpwood.

CAN. LOCOMOTIVE STOCKS INACTIVE BUT SHOW RISE

Recent Sales Have Been Well Above Figures of Early in Year

With very little trading going on in the shares, both the preferred and common stocks of Canadian Locomotive have shown some advance this year. The company has been busy right up to the present time on a couple of large orders it received, and prospects are for steady purchases of new traction equipment by the railways for the next few years, since their earnings have shown such substantial advance.

Both the Canadian Pacific and the Canadian National Railways are experiencing heavy traffic conditions and reduced operating expenses, enabling their directors to consider replacing worn out equipment and looking into long deferred purchases of both locomotive and rolling stock. The recent decision to manufacture mining machinery opens up immense possibilities.

Ordinarily, Canadian Locomotive's annual statement would appear about this time, but there will be no statement this year. Some time ago, the directors decided to make their fiscal year terminate with December 31 instead of June 30. That means that an eighteen months statement will appear early in 1927 instead of a twelve month's statement for the year to June 30 last.

Preferred stock of Canadian Locomotive sold at 74 to open the year; touched a high of 89½ in March and sold recently at 82. As it is paying seven per cent. dividends, the return is over 8½ per cent. to the investor at that price.

Common shares sold at 35 on the only transaction in January or February, and have recently sold at the high point of 40. No dividend is being paid.

Canadian Flour Mills Do a Greater Volume

From Our Own Correspondent.

MONTREAL. — There are indications that Canadian flour mills will experience considerably better business during September. Orders from overseas are coming in more freely and operations at the larger plants are showing a corresponding increase. Both the United Kingdom and the West Indies are purchasing more Canadian flour. In the former, especially, imports of Canadian flour have shown a decided improvement. In some other European countries, the demand has not been so good. It is understood, moreover, that more favorable conditions are now prevailing amongst the Canadian millers. There is no indication apparently of any serious price-cutting here, and this removes one of the greatest handicaps under which the milling industry has to labor. With a large crop in the west particularly assured, this means plenty of wheat to be ground into flour, and the next few months should see a considerable revival in the industry in this country.

However, shareholders are more interested in the actual price of flour, and, while the volume has been greater, the price of flour abroad at the moment shows little tendency to rise.

Produced in Canada Featured in Montreal

From Our Own Correspondent

MONTREAL.—Between October 9 and 16, a national "Produced in Canada" exposition is being held in Montreal. The exposition is being sponsored by the Canadian Manufacturers' Association and the "Produced in Canada" Association; it is anticipated that well over 125,000 persons will view the various exhibits which will be drawn from every branch of industry.

Coupled with the exposition will be the annual Pure Food Show which has been held successfully in Montreal in past years. It will not be a separate exposition as in other years, but will be included in a larger exposition now being sponsored by Quebec division of the C.M.A.

PROVINCE HANDLES SCHOOL BOOKS

With the re-opening of the schools this week the Provincial Department of Education takes over the supplying of all school books in the province, at cost to the public. This will effect a saving of about 20 per cent. to the purchasers.

HEAVY YIELD WINTER WHEAT

A yield of 52 bushels an acre of winter wheat was obtained on the farm of L. Atkinson, near Barons, in Southern Alberta.

Port Alfred's Second Machine Satisfactory

From Our Own Correspondent.

MONTREAL. — The second newsprint machine of the Port Alfred Pulp and Paper Corporation, which has only been in operation about two weeks, already is producing 70 tons of newsprint a day. The machine has a rated capacity of 100 tons daily, but as newsprint machines are the most intricate pieces of mechanism in the mechanical world, it takes many months of careful tuning before they can be brought up to capacity. Thus, a production of 70 tons a day, so soon after the machine has been placed in operation, may be considered more than satisfactory.

The construction of the remaining two machines, which are scheduled for October and December, is proceeding satisfactorily and it can be anticipated that they will both be in operation on the dates scheduled.

Canada Paper Expands

Extensive additions are at present being made to the Canada Paper Company's plant at Windsor Mills, Que. This work involves an expenditure of about $149,000, and the contract has been awarded to the Newton Construction Company, of Sherbrooke. The work comprises extensions to the finishing room, a new machine room, beater room and shipping room.

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WHY THE C.N.R. SETTLED CLAIMS OF G. T. PACIFIC

Holders of Security Had a Sort of Second Mortgage Claim

From Our Own Correspondent.

MONTREAL.—There seems to exist some confusion generally as to the reasons behind the tentative offer which has been made to, and accepted by the four per cent. Grand Trunk Pacific debenture stockholders.

The situation is simply this. The debentures of the Grand Trunk Pacific Railway were guaranteed by the Grand Trunk Railway; that is, they were conditionally guaranteed provided the Grand Trunk Railway earned sufficient to protect the debenture holders.

Thus, since the formation of the Canadian National Railways, the earnings from the old Grand Trunk lines have been segregated and in 1923 this portion of the present Canadian National System earned sufficient, over and above its own fixed charges, to meet the four per cent. requirements of the Grand Trunk Pacific debenture stock. Consequently, in 1924, the Canadian National Railway paid the Grand Trunk Pacific debenture holders four per cent. for the year 1923. The next year, earnings on the old Grand Trunk lines were not sufficient to meet this charge.

No More Separate Accounts

In order to do away with the necessity of keeping separate accounts for the old Grand Trunk Railway System, the management of the Canadian National Railways has arrived at an agreement with the holders of the Grand Trunk Pacific stock whereby the latter are to receive two per cent. per annum on their stock, and the Canadian National Railways is to institute a sinking fund equal to two per cent. of the debenture stock issue. The whole arrangement, however, must receive the ratification of the Canadian Parliament.

The debenture stock of the Grand Trunk Pacific Railway is outstanding to the extent of £7,176,960.

Only Earned Once

The offer simply means that Sir Henry Thornton and those representing the Grand Trunk Pacific debenture holders in England have arrived at an agreement of approximately what the earnings behind the debentures will average during the coming years, that is, under the security which the old debenture stock provided. Thus, instead of keeping separate accounts for the old Grand Trunk Railway and paying the debenture issue, as, if and when earned, an annual amount of two per cent. as interest and two per cent. as sinking fund will be set aside for this purpose, and the debenture holders will forego all further claims.

The Grand Trunk Pacific debenture issue was in reality a second mortgage on that ill-fated road. Since the Canadian National Railways took over the property, the road itself, of course, was never able to earn its debenture interest, and only in one year, namely 1923, were the earnings from the old Grand Trunk lines sufficient to meet the interest charges. It was for this year that the interest payments were met.

ZINC-LEAD DEPOSITS ATTRACTING CAPITAL

Five Provinces Stand to Benefit from Attractive Market for These Metals

The continued high prices of zinc and lead, and the activity of representatives of European smelters searching for new sources of supply in 1925, have aroused considerable interest in Eastern Canada's latent possibilities for increased production of these metals. The more so, as it has been evident that financially powerful corporations on this side of the Atlantic also are ready to take advantage of the opportunity afforded by the large qualities of cheap hydro-electric power now available and seeking a market to establish an electro-chemical zinc reduction plant in Eastern Canada as soon as they can satisfy themselves that sufficient ore to keep such a plant in operation will be forthcoming. As a result of all this, eastern producers of zinc and lead ores have speeded up development and increased their output; and numerous prospects, old and new, are being explored in search of commercial ore bodies. In fact there are very few of the known occurrences of zinc and lead in Eastern Canada that have not been at least examined recently by prospective purchasers or operators.

Properties Operating

In Nova Scotia shaft-sinking is now in progress on the Stirling zinc-lead prospect in Cape Breton, and the old Smithfield lead mine near Truro, in Colchester County, is being put in shape for further exploration of the ore bodies. In Quebec, the British Metals Corporation have made a number of improvements both in their mine and mill at Notre Dame des Anges, that have resulted in a considerably increased output and further diamond drilling has been done on the Federal Zinc and Lead Company's mine in Gaspe, though actual production has not yet been undertaken.

Will Increase Output

In Ontario, the Kingdon Mining, Smelting and Manufacturing Company are preparing to further increase the output of their Galetta lead mine; the old Frontenac lead mine, near Kingston, has been pumped out and examined as has also the old Wright mine on Lake Timiskaming, where diamond drilling is now being carried on from the bottom of the old workings; diamond drilling is also being done in a search for zinc-lead ore bodies just west of Sudbury; and one of the Cobalt mining companies is reported to be about to start exploratory operations on a zinc prospect near Renfrew.

STEAMERS FLEETS BEING AUGMENTED BY NEW ADDITIONS

New Financing Calls for Redemption of 7% Bonds Only

From Our Own Correspondent.

MONTREAL.—In connection with the new financing of the Canada Steamship Lines, there was some suggestion that the company would call its first mortgage, five per cent., debenture stock. This is incorrect and only the first mortgage collateral trust, seven per cent., bonds will be called. The last balance sheet of the company shows that, at the end of December, 1925, there was $5,104,200 of this issue outstanding.

Commensurate with the progress which the company has made in every way, further additions are to be made to its fleet. Shareholders will be interested in learning the extent of these various additions.

Additions to Fleet

The new bulk freighter, the "Lemoyne," the largest ship on the Great Lakes, has just been placed in operation. Two new freighters, the "Selkirk" and the "Winnipeg," have just been completed; the latter has been in operation for the past two weeks and the former comes into operation on September 15. These two new ships will carry package freight westbound and carry grain on their eastward journeys.

The company is also building three other ships, to be ready in 1927. These are the "St. Lawrence," which will be the largest inland passenger steamer on the St. Lawrence River, and two more package freighters. The last two will be ships of the type of the "City of Toronto" and the "City of Kingston," which were first put into operation last year.

The Canada Steamship Lines operates in all some 102 vessels; of these, 23 are passenger boats and 79 freight vessels. Of the freight vessels, 2 are colliers, 38 are lower lake bulk freight ships, 18 are freighters and 21 are upper lake bulk freighters. The foregoing comprises the company's fleet as at present constituted.

Among the reasons for the strength in the shares of the company are the many developments taking place along the valley of the St. Lawrence. These developments include pulp and paper enterprises and, in particular, the Anticosti development, which will no doubt provide the company with an increase in the volume of pulpwood which it carries up the river. There are also the other industrial enterprises on the Saguenay, which will increase the company's gross revenues.

There are such developments also as the Ste. Anne Pulp and Paper Company and the Anglo-Canadian Pulp and Paper Company, which no doubt will also require the services of the Canada Steamship Lines, not only during their period of construction, but also possibly for pulpwood to feed the mills upon their completion.

New Capitalization Soon

It is thought that the next ten days will see the final arrangements completed for the change in the company's capitalization, and that the date of the transfer of the present preferred and common stock certificates will then be announced. This event, however, will almost certainly be delayed until a few days after the forthcoming federal election.

The issue of bonds which will be retired by the new financing ranks after an issue of first mortgage 5 per cent. debenture stock and is secured by a pledge of $7,145,880 of this debenture stock, which will now be released and leave only as a first mortgage outstanding a total of $4,853,764, according to the last financial statement of the company. This issue of debenture stock will rank above the new bond issue that will be made insofar as most of the older properties of Canada Steamship Lines are concerned, but the new bond issue will be a first mortgage lien on the newly acquired fleets and a number of other properties not included in the trust deed for the debenture stock.

The payment of 105 for the 7's will mean a considerable increase to the holders over the price that prevailed about two years ago of well under 90.

EXPORTS BOOSTED TIRE SALES, SAYS GOODYEAR'S HEAD

Demand for Spares and Renewals Has Fallen Off at Home

Export markets alone kept tire sales this year up to previous records, according to C. H. Carlisle, president of Goodyear Tire and Rubber Goods Company.

Better quality tires is one of the reasons given by Mr. Carlisle for the fall in tire sales in Canada.

Mr. Carlisle says:

"Canada's registration of automobiles at the close of 1925 was approximately 12 per cent. greater than at the close of 1924. However, for the first half of 1926 the Canadian trade bought about 20 per cent. less tires for spares and renewals than it did for the first half of 1925.

"An analysis indicates that this does not mean a restriction of motoring, but rather the combined result of three causes.

"First, the rapid rise in the price of rubber during the latter half of 1925 induced the trade, and to some extent the public, to purchase tires in anticipation of higher prices.

"Second, people learned from previous years that it is expensive to buy short mileage gyp tires and have been using the better qualities and getting longer mileage.

"Third, there has been a big improvement in the quality of repairs made by many tire repair shops and the public have responded by having tires repaired, especially during the period when the price of rubber was high.

"The tire requirements of Canadian auto manufacturers were slightly greater during the first half of 1926 than for the first half of 1925. However, this increase was not sufficient to offset the decrease in spare tires and renewals. It was only through an exhaustive study of the export market that the tire industry was able to effect a somewhat larger total sale in the period of 1926, as compared with 1925.

Balloons on New Cars

"It is interesting to note the percentage of balloon tires to total in the various fields for the two periods.

	Jan.-June, 1925	Jan.-June, 1926
Spares and renewals ...	17.3%	24.5%
New car equipment	52.0	75.6
Export	25.2	35.6
Total	28.5%	42.1%

"These figures include pneumatic tires for trucks, buses and light delivery cars, as well as those for passenger automobiles. The percentage of balloons would be very much higher if computed for passenger automobiles only. Nearly 100 per cent. of the automobiles now being made in Canada are equipped with balloon tires. Some of the heavier models of automobiles and various commercial models carry six-ply heavy duty balloons, instead of the four-ply standard balloons.

"The restrictive legislation on shipment of British grown rubber is still in existence. This restricted measure was designed some years ago to stabilize the price of rubber and rubber commodities. To date it has had the extreme opposite effect. During the last quarter the application of the restriction was avoided by only a very small percentage of 1 per cent. of the price prevailing on raw rubber during the period.

"Due to the experience of the past few years it behooves even the most experienced to refrain from expressing an estimate on the future price of rubber and its necessary effect on the price of tires. The rubber industry has done much to absorb the irregularities of the price in raw rubber and make relatively few changes in the price of the finished product."

Apparently, demands of Canadian car manufacturers for tires for new cars have shown no diminution this year. The number of automobiles produced has exceeded all previous records. It is worth noting that Goodyear has the bulk of the factory trade in Canada.

MAY SEND MANY SETTLERS

Representing the government of Norway and Sweden, a delegation is in the West to investigate conditions of land settlements for immigration, prices of land, condition of employment, co-operative marketing of grain and the Canadian system of soldier re-establishment. As a result of their investigations, it is possible that there will be a settlement in Western Canada of 12,000 Norwegian immigrants per year in the future.

July's Development In Vancouver

Building permits issued during July in Vancouver amounted to over $4,000,000, exceeding in value those for any of the states of Washington, Oregon, Nevada, Arizona or Idaho. May we send you our lists of investment opportunities in Canada's fastest growing city?

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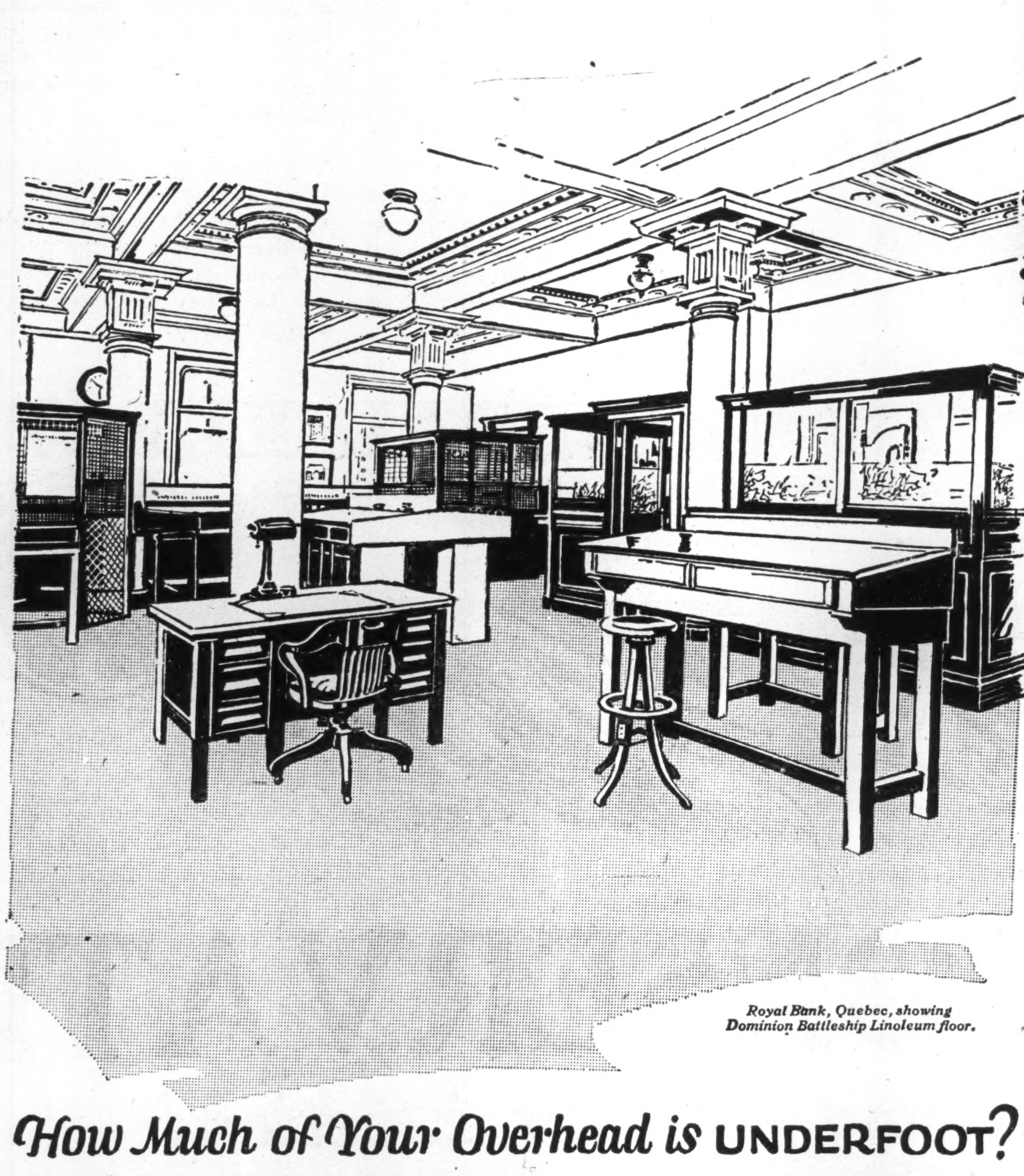

Royal Bank, Quebec, showing Dominion Battleship Linoleum floor.

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How Much of Your Overhead is UNDERFOOT?

The Nation's Business

(Continued from page 1)

high character of Hon. Mr. Meighen, and the lack of confidence in Hon. Mr. King.

In case the Liberals come into power, Mr. King has been promised the ministry at Washington, and would likely be succeeded by Mr. Dunning. Mr. Dunning, in campaigning, has not measured up to expectations, but business men are ready to give him credit for better judgment in closed cabinet meetings.

* * *

IN ANY last minute analysis of election prospects, it must not be forgotten that the number of constituents that are likely to have anything to do with materially changing the fact of Parliament is quite small. There are 245 seats in the House. In the last election, 166 of these seats were won by majorities so large as to make it seem reasonable that substantially similar circumstances in this election as regards candidates would bring about no change of allegiance from one party to another. That means that the power to end the deadlock rests, not so much with the 245 constituencies as with the voters in the 79 ridings that were the scenes of close fights in the last election and where changes are therefore possible.

They have a saying in the United States that "as goes California, so goes the Union." In the election of the president, the states vote as blocs Certain states having a majority of Republicans can always be counted on to cast a solid Republican electoral vote for president; similarly the predominantly Democratic states. The result is, to throw the balance of power into the hands of the few voters in a very few states who switch their allegiance from time to time and California, providing the closest fight, often has the most to say.

The doubtful seats in Canada are not segregated in any one province or geographical area so no territorial division in Canada has it in its power to determine Canada's next premier. It may be said, though,—with the evidence to be presented later—that if Mackenzie King is Canada's next premier it will be because Ontario wants him, while if Mr. Meighen is given a mandate for the responsibility he has been forced to assume it will be chiefly because of gains in the west.

* * *

OF THE 79 seats that provided close fights in October, 1925, 41 were won by the Conservatives; 22 by the liberals; 14 by the Progressives and two by Labor candidates. This might be taken to indicate that the Conservatives have 38 chances to make gains while their opponents have 41 chances to better their position.

Such an interpretation, though, must be reconciled with other factors, such as the fact that most of the close fights were in constituencies where the Conservatives had previously been out of office and if they made in these individual constituencies gains in votes even equivalent to half the gains they made between 1921 and 1925 they would win most of them and assume office with a commanding lead over all opposition.

* * *

CONSIDERING the "doubtful" seats, according to provinces, some interesting conclusions may be drawn.

First, let us set down, in tabular fashion, the close seats and the parties that won them:

Close Fights Won by Parties

Province	Lib.	Cons.	Prog.	Lab.	Ind.
P. E. I. . .	0	1	0	0	0
N. S. . . .	3	4	0	0	0
N. B. . . .	0	1	0	0	0
P. Q. . . .	5	3	0	0	0
Ont.	8	23	2	0	0
Man.	0	4	6	2	0
Sask. . . .	3	0	3	0	0
Alta.	1	1	3	0	0
B. C.	2	4	0	0	0
	22	41	14	2	0

The figures compare with the election results, by provinces, as follows:

Seats Won by Parties

Province	Lib.	Cons.	Prog.	Lab.	Ind.
P. E. I. . . .	2	2	0	0	0
N. S. . . .	3	11	0	0	0
N. B. . . .	1	10	0	0	0
P. Q. . . .	60	4	0	0	1
Ont.	12	68	2	0	0
Man.	1	7	7	2	0
Sask.	15	0	6	0	0
Alta.	4	3	9	0	0
B. C. . . .	3	10	0	0	1
Yukon . . .	0	1	0	0	0
	101	110	24	2	2

* * *

THE FIRST feature that strikes one is that Quebec offers but little prospect of change. Only 8 of its 65 constituencies provided the thrills of a real battle. The Conservatives seem certain to repeat in at least two of the three constituencies referred to, with an excellent chance in the third and, as the figures indicate, five other constituencies where they may gain.

The next feature that stands out is that Ontario provided no Conservative walk-away, despite the large number of seats won by that party. This indeed, then, looks like the Liberals' best bet, if they can stem the tide of Conservative gains that developed between 1921 and 1925 and may or may not, as September 14 will show, still be rising.

* * *

MANITOBA'S figures in particular and the West's in general will prove surprising to many who had considered that the Progressives had a firm hold in the West. It will be seen that six of their seven Manitoba seats and 14 of their 22 Western seats were in bitter struggles with the opposition being nosed out at the finish. The figures reveal clearly why Liberals and Progressives have worked hard to put up joint opposition to the Conservatives in the West. Mr. Meighen's hopes for some gains in the West may indeed rest on solid ground.

Taking the figures as a whole they show no evidence of a landslide in any direction, but on the other hand they are not entirely devoid of indications to raise the hope that stalemate can be avoided.

* * *

THOSE who have assumed that everything has been said on the tariff question will find interest and perhaps entertainment in a brand new theory which has been developed as campaign material by R. J. Deachman, whose writings are being widely circulated. Mr. Deachman's argument is unique and rather startling in view of the widely accepted views of recognized economists on this question. It is, in brief, that protection does not benefit home industries because foreign industries are thus forced to establish branches and make profits which they take out of the country. Following this theory to its conclusion we find Mr. Deachman declaring that Mr. Meighen is working in the interests of Wall Street, because, in favoring protection, he would enable the American manufacturers with plants in Canada to make bigger profits to take back to Wall Street.

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Current Events in Banking World

CURRENT LOANS RISE REFLECTING BUSINESS NEEDS

Banks Returning to Normal Function of Financing Trade

There are some definite reflections of slow but certain business expansion in Canada to be found in the July bank statement, just published by the Minister of Finance.

Current loans, representing money advanced by banks to business for its operations, show increase again. This increase of $9,950,000 between June 30 and July 31, together with the increase in bank note circulation of $5,100,000, show that the current financial needs of business are larger.

Savings deposits show an increase for the month of $1,700,000, a slight change. Current accounts are $13,400,000 as are call·loans at home.

Holdings of securities are beginning to show some decline as business makes demands for capital. The banks are turning more fully to their normal function of financing business.

The following table is the Financial Post's analysis of the figures in the bank statement:

Bank Statement for Month of July

Immediately Available Liquid Resources

ASSETS

	July, 1926	June, 1926	Change	July, 1925	Change
	$	$	$	$	$
Specie	61,739,101	59,128,927+	2,610,174	58,534,907+	3,204,194
Dom. Notes	111,694,058	112,339,616—	645,558	136,963,331—	25,269,273
Gold Reserves	62,010,332	63,310,332—	1,300,000	56,060,332+	5,950,000
For Banks	73,694,912	71,710,860+	1,984,052	61,737,288+	11,957,624
For. Curr.	24,127,132	24,820,911—	693,779	26,285,317—	2,158,185
Gov. Secs.	344,270,556	350,726,915—	6,456,359	364,661,692—	20,391,136
Call Loans Abd.	238,610,806	242,961,283—	4,350,477	222,646,775+	15,964,031
	916,146,897	924,998,844—	8,851,947	926,889,642—	10,742,745
Loans and Securities Other Than Those of Canadian Government					
Pub. Secs.	126,549,252	128,296,371—	1,747,119	151,146,691—	24,597,439
Rly. Secs.	59,372,201	60,530,224—	1,158,023	59,725,479—	353,278
Can. Call Loans	139,600,559	143,532,883—	3,932,324	107,713,405+	31,887,154
Current	941,501,878	931,548,713+	9,953,165	881,253,805+	60,248,073
Loans Abroad	255,572,444	252,793,168+	2,779,276	219,018,009+	36,554,435
Prov. and Mun. Loans	86,597,323	98,015,305—	11,417,982	78,365,080+	8,232,243
	1,609,193,657	1,614,716,664—	5,523,007	1,497,222,469+	111,971,188
Other Assets					
Non-Curr. Loans	9,592,611	9,587,671+	4,940	11,252,508—	1,659,897
Real Estate	6,210,137	8,276,209—	66,072	8,651,372—	441,235
Mortgages	5,755,567	5,711,414+	44,153	4,542,495+	1,213,072
Premises	71,223,805	71,137,596+	86,209	73,240,744—	2,016,939
Letters of Credit	72,487,636	72,311,483+	176,153	61,516,801+	10,970,835
Loans to Comp.	5,432,030	5,494,835—	62,805	5,628,470—	196,440
Other Assets	2,963,224	2,844,024+	119,200	3,729,013—	765,789
	175,665,010	175,363,232+	301,778	168,561,403+	7,103,607
Total	2,701,005,564	2,715,078,740—	14,073,176	2,592,673,514+	108,332,050
Note Circ. Dep.	5,748,000	5,858,003—	110,003	5,870,779—	122,779
Int. Bk. Bal.	136,061,675	138,016,564—	1,954,889	119,694,981+	16,366,694
Gross	2,842,815,239	2,858,953,307—	16,138,068	2,718,239,274+	124,575,965
LIABILITIES TO THE PUBLIC					
Liability to Government and Circulation					
Circulation	171,515,803	166,371,587+	5,144,216	157,710,616+	13,805,187
Dom. Govt.	41,543,408	36,463,250+	5,080,158	39,527,004+	2,016,405
Prov. Govt.	22,630,381	23,627,502—	997,121	25,050,862—	2,420,481
Govt. Advances	16,000,000	19,800,000—	3,800,000	20,250,000—	4,250,000
Deposits by Public					
Demand Dep.	539,076,763	552,498,207—	13,421,445	480,817,918+	58,258,844
Savings Dep.	1,329,909,816	1,328,225,287+	1,684,529	1,255,005,214+	74,904,602
Total	1,868,986,578	1,880,723,494—	11,736,916	1,735,823,132+	133,163,446
Foreign Dep.	323,945,246	337,314,422—	13,369,176	354,269,365—	30,324,119
Due to Banks Abroad, etc.					
United Kingdom	6,607,618	5,495,774+	1,111,844	9,595,749—	2,988,131
Foreign	33,296,212	33,662,021—	365,809	33,925,414—	629,202
Pills Pay.	11,761,718	10,588,229+	1,173,489	10,881,413+	880,305
Letters of Credit	72,487,636	72,311,483+	176,153	61,516,801+	10,970,825
Other Liabilities	1,771,235	1,758,898+	12,337	1,534,239+	236,996
Public Liab.	2,570,545,835	2,588,116,660—	17,570,825	2,450,084,594+	120,461,241
Due Bet. Banks	10,262,937	11,976,863—	1,713,926	9,392,438+	870,499
Liability to Shareholders					
Dividends	1,319,637	693,185+	626,452	1,319,716—	79
Reserve	125,441,700	125,441,700	......	122,191,700+	3,250,000
Capital	116,993,431	116,164,660+	828,771	120,164,660—	3,171,229
Gross	2,824,563,540	2,842,393,068—	17,829,528	2,703,153,108+	121,410,432

Staff Gossip

Miss E. L. Hickmott, of Leader, Sask., has been transferred to the local branch of the Standard Bank to fill the vacancy caused by the resignation of A. Kofoed. —Record, Fort Saskatchewan.

* * *

Fred C. Grant, acting manager of the Moose Jaw branch of the Canadian Bank of Commerce, has been transferred to Vancouver Island, B.C., where he has been appointed manager of the branch at Nanaimo. He will leave for the west about September 15, accompanied by his wife and family. Mr. Grant will remain here until the arrival of H. G. Hurlburt, and as soon as the latter becomes acquainted with the branch, Mr. Grant will leave for Vancouver, where he will be attached to the superintendent's branch, Bank of Commerce, until November 1, when he will take over his new duties at Nanaimo. Mr. Hurlburt was the first assistant manager at Winnipeg main office of the bank.—Leader, Regina.

* * *

S. K. Campbell, manager of the Canadian Bank of Commerce at Prince Rupert since Dec. 8, 1921, has arrived in Vancouver, having been promoted to the superintendent's department with the rank of assistant inspector. During his stay in Northern British Columbia, Mr. Campbell has identified himself closely with local organizations and become acquainted with many residents in that territory.

Mr. Campbell is being succeeded as manager at Prince Rupert by B. J. Mellish, who has been attached to the superintendent's department since January. 1921, and prior to that was for some years accountant at New Westminster. — Province, Vancouver.

FOREIGN EXCHANGES

Belgian Franc Will Be Stabilized Soon

Conducted by S. J. ZACKS.

Movements in the foreign exchanges for the past week were slight and trading was quiet. Most of the gains registered last week were maintained. Weakness developed in sterling and constituted a market feature. The premium on U. S. funds continues steady, although activity for the past week in these has been decidedly light. About $1,000,000 of gold was shipped from New York to Montreal last week.

Improvements along the Vancouver waterfront, totaling $60,000,000 expenditure, in anticipation and as a result of a growing Oriental trade, are now under way. Grain and lumber exports from Vancouver, the former doubling, while the latter increased by 40 per cent. during the past year, are factors making for the huge expenditures on the coast. Canada's recent trade arrangement with Australia appears to indicate great trade possibilities. Canada's trade with China trebled last year, while trade with Japan (Canada's third best customer) increased by 50 per cent.

A recent survey of the U. S. foreign trade for 1925-26, which showed that although the dollar value of imports gained relative to exports, interpreted in terms of physical units the story is different. Foreign trade figures of U. S. have been a puzzle to many. As a creditor nation the U. S. should show import surpluses and a rising price level. Actually her price level has been declining. Lower costs of production, whether as a result of the introduction of scientific methods or natural economic advantage, are winning new markets for her. U. S. exports to South America have increased by 250 per cent. since 1922, while those to Africa have doubled. Even her sales of fabricated commodities to Europe have increased in spite of keen competition. Exports of raw materials to Europe show a decrease due to decline in prices.

Speculation as to the effects of the recent decision of the royal Commission on Indian currency indicates that in the long run world price levels will be lowered. "Under the gold bullion standard recommended, note circulation is not convertible into gold coin, and gold will not circulate as money, but the note circulation can be redeemed in standard gold bars." The gradual demonetization of the rupee is contemplated, and, since the note circulation will be convertible into neither gold nor silver coin, the price of the latter metal will decline, but not drastically, nor abruptly. A gold bullion currency, however, will no doubt, over a long period, stimulate the demand for gold.

Rumors that the Belgian franc would be stabilized at the end of the month, independent of the French franc, appear well founded. Great care is being taken with the plans to avoid any mistakes, and they are being kept secret to prevent any speculation. Financiers favor stabilization at 162.50 to the pound sterling.

Another shipment of $5,000,000 of gold from New York to Germany brings the total to $25,000,000 of the Reichsbank's ear-marked reserves, so far transferred by the Federal Reserve Bank of New York. These gold shipments have been necessary to safeguard the recently incepted free trading in Reichsmarks.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Sept. 2	9-64	5-32	1-64	3-64
Sept. 3	5-32	5-32	Par	Par
Sept. 4	9-64	9-64	x1-32	Par
Sept. 6	....	....	x1-32	x1-32
Sept. 7	5-32	5-32	....	....
Sept. 8	5-32	5-32	x1-32	x1-32

xPremium.

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Sept. 2	4.85¼	2.99¼	3.73¾
Sept. 3	4.85 5/16	2.92½	3.68¾
Sept. 4	4.85¼	2.98¼	3.80½
Sept. 6	4.85⅝	2.97¼	3.85
Sept. 7	4.85 7/16	2.96	3.67¾
Sept. 8	4.85 3/16	2.88	3.60½

FOREIGN EXCHANGE

Par		Sept. 1	Sept. 8
19.30	Italian	3.77¾	3.60½
32.45	Brazil	15.31	15.31
23.82	German	23.81	23.81
19.30	Belgium	2.84½	2.78
84.85	Japan	48.00	48.21

During the absence of W. G. Lynch, manager of the Windsor branch of the Canadian Bank of Commerce, the affairs of the branch will be in charge of A. E. Stringer, Toronto. Mr. Stringer has a lengthy record of service with the bank, and was formerly assistant-manager of the market branch in Toronto.

Mr. Lynch is on an extended trip for his health. He is considering a trip to the British Isles before returning to duty, friends stated.—Border Cities Star, Windsor.

Weekly Bank Clearings

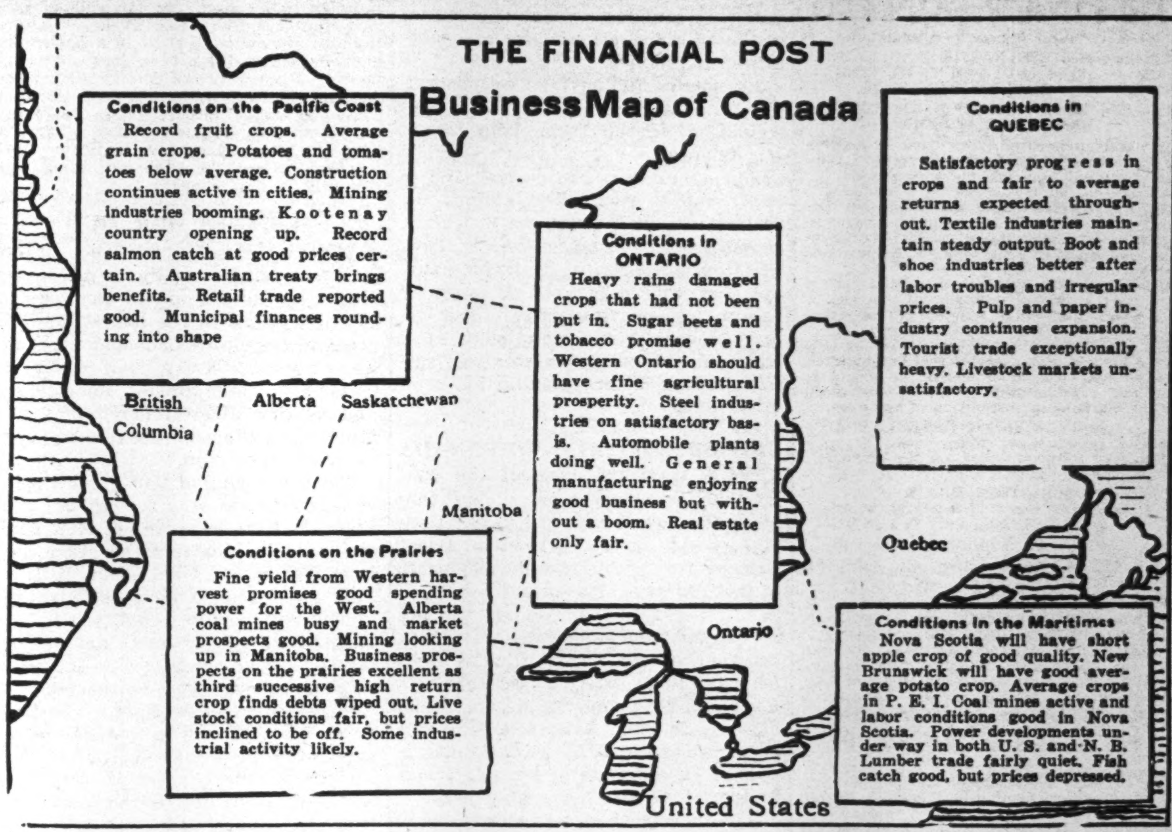
(In comparison with the same week last year)

EASTERN CITIES

	Sept. 4-25	Sept. 3-26
St. John	$2,349,191	$2,515,487
Halifax	2,881,347	2,642,542
Moncton	790,260	764,164
Sherbrooke	750,483	893,461
Quebec	6,636,772	7,310,314
Montreal	95,877,236	122,976,978
Ottawa	7,309,207	6,013,552
Kingston	773,085	517,644
Toronto	92,861,433	99,343,332
Hamilton	5,289,758	5,549,506
Brantford	908,448	1,107,902
London	2,678,789	2,483,822
Kitchener	1,109,121	868,242
Sarnia	....	674,706
Windsor	3,340,999	4,356,457
Total, East	223,556,129	257,968,109

WESTERN CITIES

	Sept. 4-25	Sept. 3-26
Ft. William	804,962	1,029,655
Winnipeg	38,057,454	42,605,696
Brandon	529,449	540,815
Regina	4,254,833	3,759,146
Saskatoon	1,606,834	1,873,526
Moose Jaw	1,029,352	1,187,053
Prince Albert	280,111	366,937
Lethbridge	765,050	606,172
Calgary	6,347,605	5,326,361
Edmonton	4,866,077	4,322,392
Medicine Hat	298,080	298,080
Vancouver	14,968,500	15,358,713
Victoria	1,843,638	2,203,844
N. Westminster	659,157	727,523
Total, West	$76,311,102	$80,205,913



THE FINANCIAL POST Business Map of Canada

Conditions on the Pacific Coast

Record fruit crops. Average grain crops. Potatoes and tomatoes below average. Construction continues active in cities. Mining industries booming. Kootenay country opening up. Record salmon catch at good prices certain. Australian treaty brings benefits. Retail trade reported good. Municipal finances rounding into shape

Conditions on the Prairies

Fine yield from Western harvest promises good spending power for the West. Alberta coal mines busy and market prospects good. Mining looking up in Manitoba. Business prospects on the prairies excellent as third successive high return crop finds debts wiped out. Live stock conditions fair, but prices inclined to be off. Some industrial activity likely.

Conditions in ONTARIO

Heavy rains damaged crops that had not been put in. Sugar beets and tobacco promise well. Western Ontario should have fine agricultural prosperity. Steel industries on satisfactory basis. Automobile plants doing well. General manufacturing enjoying good business but without a boom. Real estate only fair.

Conditions in QUEBEC

Satisfactory progress in crops and fair to average returns expected throughout. Textile industries maintain steady output. Boot and shoe industries better after labor troubles and irregular prices. Pulp and paper industry continues expansion. Tourist trade exceptionally heavy. Livestock markets unsatisfactory.

Conditions in the Maritimes

Nova Scotia will have short apple crop of good quality. New Brunswick will have good average potato crop. Average crops in P. E. I. Coal mines active and labor conditions good in Nova Scotia. Power developments under way in both U. S. and N. B. Lumber trade fairly quiet. Fish catch good, but prices depressed.

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Return of the Chartered Banks of the Dominion of Canada, July 31, 1926

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32, of The Statutes of 1923

LIABILITIES

NAME OF BANK	Notes in Circulation	Due to Dominion Government	Advances under Finance Act	Due to Provincial Gov'nm'ts	Demand Deposits in Canada	Notice Deposits in Canada	Deposits elsewhere	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks elsewhere	Bills Payable	Letters of Credit	Other Liabilities	Dividends Declared & unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	% last dividend	Loans to Directors	Average gold and Coin Held	Average Dominion Notesheld	Greatest amount notes in circ.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	44,429,136	28,025,417	....	6,132,907	137,435,113	372,977,103	71,142,120	2,417,811	1,518,736	4,474,389	1,136,190	10,159,297	733,018	912,588	29,916,700	29,916,700	741,327,230	31,175,000	12	2,518,425	22,714,107	48,993,157	46,263,366
Nova Scotia	14,461,959	1,116,924	....	734,003	30,647,721	118,510,169	35,430,410	1,679,252	155,798	1,036,848	653,682	6,099,632	71,970	11,508	19,500,000	10,000,000	240,109,882	15,000,000	16	1,338,645	9,234,796	8,255,017	15,206,281
Toronto	7,702,457	180,347	....	616,067	28,804,098	54,127,589	....	667,842	87,305	1,195,075	914,225	1,604,277	216,341	1,325	7,000,000	5,000,000	108,116,951	10,000,000	12	501,834	455,674	4,801,152	7,858,715
Provinciale	4,238,858	151,604	....	313,807	5,094,698	30,173,750	....	....	....	8,229	....	6,960	9,711	4,766	1,500,000	3,828,771	45,331,156	5,000,000	9	....	203,513	301,395	4,306,728
Commerce	27,143,160	5,758,945	3,500,000	3,809,811	110,649,179	216,518,048	42,134,461	515,259	3,053,672	9,458,941	1,838,967	15,495,222	....	6,580	20,000,000	20,000,000	479,882,250	25,000,000	12	4,778,476	17,041,000	15,236,000	28,090,422
Royal	36,969,841	3,676,850	....	5,618,986	130,121,374	277,420,164	172,399,351	1,391,176	1,062,691	15,011,977	6,974,699	32,881,884	40,666	20,355	24,400,000	24,400,000	732,390,020	30,000,000	12	1,994,808	11,855,066	18,304,101	38,438,272
Dominion	7,545,173	774,714	3,500,000	524,172	26,377,566	61,038,931	1,639,281	1,060,655	234,004	1,033,671	243,955	4,578,342	501,351	4,670	7,000,000	6,000,000	122,056,489	10,000,000	12	919,666	2,128,000	4,024,000	7,667,999
Standard	6,270,860	175,570	3,000,000	318,513	17,665,966	49,430,051	....	1,143,047	327,526	364,555	....	424,546	198,131	145,727	2,900,000	4,823,400	87,187,896	5,000,000	12	462,834	580,374	2,850,120	6,291,745
Nationale	12,086,339	644,631	6,000,000	1,277,532	18,445,507	83,386,914	1,199,623	1,991	112,594	469,770	....	648,253	....	1,754	5,500,000	5,500,000	135,274,913	10,000,000	10	137,163	847,911	1,318,583	12,108,144
Imperial	10,092,970	982,101	....	3,260,992	32,104,633	64,040,121	....	1,385,904	55,292	222,932	....	589,223	....	210,364	7,500,000	7,000,000	127,444,627	10,000,000	12	564,763	941,249	6,171,125	10,518,963
Weyburn Security	575,050	56,215	....	23,591	1,730,907	2,286,976	....	....	....	19,825	....	....	....	....	225,000	524,560	5,442,126	1,000,000	5	121,057	22,119	55,839	575,050
Total	171,515,803	41,543,408	16,000,000	22,630,381	539,076,762	1,329,909,816	323,945,246	10,262,937	6,607,618	33,296,212	11,761,718	72,487,636	1,771,188	1,319,637	125,441,700	116,993,431	2,824,563,540	152,175,000	......	13,337,671	66,023,809	110,310,489	177,325,685

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks elsewhere	Government securities	Canadian municipal British and foreign Securities	Railway and other bonds and stock	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current loans elsewhere	Loans to Municipalities and to provinces	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank premises	Letters of Credit	Deposit for note circulation	In central gold reserves **	Shares of and loans to controlled companies	Other assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	22,491,387	44,224,329	3,780,022	1,050,857	30,512,130	143,171	18,632,989	92,813,911	30,700,852	2,874,779	14,831,456	143,658,434	223,249,856	43,612,846	26,165,821	2,667,491	949,719	1,179,031	11,950,000	10,159,297	1,420,787	15,000,000	1,430,234	401,376	743,900,788
Nova Scotia	9,202,632	8,072,299	1,045,001	2,097,984	7,508,594	100	2,714,933	31,659,176	10,906,272	15,068,083	19,058,913	15,714,478	75,816,104	17,180,926	5,467,072	315,118	63,849	114,857	7,334,723	6,099,632	480,755	5,500,000	....	164,155	241,585,666
Toronto	468,479	4,630,825	518,215	119,094	5,554,207	....	2,380,085	20,065,961	5,720,532	2,907,418	6,508,191	....	49,207,644	....	2,264,422	192,565	....	212,238	3,506,679	1,604,277	256,775	3,055,866	....	....	109,173,481
Provinciale	208,265	271,079	656,015	89,351	1,529,956	2,829,150	322,777	4,848,510	1,243,831	3,202,081	9,464,441	....	15,812,337	....	1,818,359	162,169	449,255	92,468	1,778,677	6,960	160,493	550,000	....	214,202	45,710,384
Commerce	9,635,499	13,311,633	2,245,320	1,940,473	19,065,560	2,009	16,956,037	55,648,446	24,303,599	9,295,998	26,737,435	28,558,599	174,738,615	33,792,450	22,792,752	2,142,173	2,332,423	861,631	11,921,415	15,495,222	1,000,000	9,500,000	1,502,745	325,490	484,105,533
Royal†	15,166,105	24,203,458	3,816,888	17,906,945	27,815,466	4,028	27,333,214	72,379,295	26,239,715	18,722,730	28,635,769	41,935,511	193,170,498	158,861,715	8,748,208	2,568,415	2,232,963	1,344,496	14,307,672	32,881,884	1,220,000	14,000,000	2,499,051	548,093	736,542,131
Dominion	2,128,860	5,016,429	1,000,925	236,290	4,635,365	41	1,332,747	18,379,138	5,046,074	2,314,865	9,348,560	2,743,784	56,001,064	1,015,713	589,038	315,829	38,615	41,033	5,923,372	4,578,342	310,000	2,000,000	....	424,118	123,420,182
Standard	596,942	3,389,738	569,720	108,562	4,001,299	....	748,012	11,484,465	3,318,169	2,891,481	9,600,258	....	41,795,898	....	1,949,345	594,194	301,104	174,333	3,722,887	424,546	258,000	1,500,000	....	136,477	87,565,438
Can. Nationale§	881,877	1,442,852	1,365,740	356,336	4,270,001	301,271	1,174,612	20,457,271	12,908,728	1,805,668	6,103,344	500,000	59,088,712	1,105,113	8,849,153	194,695	1,038,746	1,092,461	5,527,599	648,253	283,419	6,700,000	....	224,154	136,320,017
Imperial	936,239	7,074,562	966,526	217,497	10,439,341	787,717	2,019,026	15,776,734	6,152,166	74,657	9,312,192	5,500,000	49,990,478	....	7,863,999	369,449	616,982	534,399	5,007,029	589,223	330,239	4,004,466	....	443,438	129,006,368
Weyburn Security	22,816	56,854	26,715	3,743	29,340	641,869	80,480	757,649	9,314	214,441	....	....	2,630,672	3,681	89,154	70,513	186,481	108,620	243,752	....	27,532	200,000	....	81,617	5,485,251
Total	61,739,101	111,694,058	15,991,087	24,127,132	115,361,259	4,709,329	73,694,912	344,270,556	126,549,252	59,372,201	139,600,559	238,610,806	941,501,878	255,572,444	86,597,323	9,592,611	8,210,137	5,755,567	71,223,805	72,487,636	5,748,000	62,010,332	5,432,030	2,963,120	2,842,815,239

**Of this deposit, $26,910,333 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank in Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidy of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

DEPARTMENT OF FINANCE, OTTAWA, SEPTEMBER 2, 1926.

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Promote national unity.

Reduce taxation; curtail public waste.

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Develop production and manufacturing to the highest point in Canada.

Settle our vacant lands.

Encourage individual initiative.

Induce and protect investment of capital in Canada.

TORONTO, SEPT. 10, 1926

MAGIC IN NAMES

THERE is magic in names; names that are daily on people's tongues. No one knows that better than the promoter of a shady concern. Almost before he incorporates his company he rustles about and finds a few prominent local citizens, if his company is a small one, or nationally known figures, if it is larger, and attempts to induce these men to become directors of his company. The inducement may be a block of stock; it may be a sheer appeal to vanity. Often enough, though, it is salesmanship that puts the promoter's desire across. He is able to convince the men he wants as directors that his proposition is a winner.

On the strength of good directorates, many weak and undesirable securities are placed on the market. Investors, rightly, size up a proposition by the men behind it and if a man whose good judgment they respect is named on the board it may influence them in its favor more than all the glib persuasion of the stock salesman.

This being so, there is an obligation upon public men to link themselves only with those new propositions that measure up to the highest standards of fairness and honesty. Promotions may be out and out speculations and still be honest; the argument is not advanced that men should stay out of a proposition merely because the ordinary business risks are present. But they should know how the stock is being sold, at what cost and to what people.

Particularly, should men, whose prominence has not been achieved by business success, be careful. Men who have been brought before the public through literary, political or similar work are often asked to become directors of business concerns. If they have good judgment and ripe business experience they have a right to accept. If they have not, they should refuse. The public is hypnotized by names and public men have an obligation to avoid becoming hypnotists.

INTEGRITY FIRST

THERE is food for thought for investors in the present status of the Canada Steamship Lines. A few years ago, the name of "Steamers" was anathema; to-day there are no criticisms of the management echoing up and down St. James Street and, only recently, the preferred shareholders agreed to accept what amounts to only 20c. a year per share on their stock in lieu of dividend arrears of some $35 per share.

And why the changed attitude? Simply because investors are convinced, not only of W. H. Coverdale's ability, but also of his integrity. And the latter has really far more to do with the present bettered position of the company than the former.

There are other advantages which accrue to investors who only buy the stocks of those companies which are administered by men of proven capability and acknowledged integrity. The Canada Steamship Lines again can well be used as an example.

Here is a company which, while most certainly having no monopoly of the Great Lakes trade, yet at the same time, the recent consolidation makes it the dominant factor in the shipping situation on the inland waters of the Dominion. As Mr. Coverdale has the complete confidence of investors, so too he will gain the confidence of the public—a confidence which is essential in the administration of all transportation companies.

Economies and savings will eventually be made through the recent consolidation of the three lake fleets; Mr. Coverdale is too expert a public utility operator not to realize, and to carry out to the fullest extent, the betterments in the services which the recent merger has made possible. Thus investors must benefit in the long run, but they will benefit not so much by "ability" as by "integrity." The latter is the most important point upon which an intending investor will satisfy himself before making his committments.

BRITISH CAPITAL AND CANADA

EVER since the close of the war, bankers have been saying that when the pound returned to par Canada would again borrow in Great Britain for productive developments in this country. The pound is back to par, practically, and yet we are not borrowing from Great Britain in any substantial way. Intermittently, British capitalists interest themselves in Canadian developments or send someone out to open a branch office but there is some evidence that Canada is paying off as much of its obligations in Britain as it is borrowing there.

The movement of British capital to Canada has not yet started afresh. If the Dominion government, as has been suggested, floats a loan in London later in the fall it might start the movement all over again.

It is doubtful if Canada will ever be as dependent upon British capital as it was before the war. We are developing our own reservoir of capital at home and have the United States, with its army of investors, at our very door.

IT IS A NATIONAL PROBLEM

SIR HENRY THORNTON'S recent evidence before the Maritime Inquiry Commission shows the complexity of the transportation problems of the Maritime provinces. He made it clear that he considered it to be his duty to operate the Canadian National Railway as a business institution, just as a private railway would be operated. The lowering deficits indicate that Sir Henry is making long strides in that direction.

It hardly seems possible that Thornton's view can be reconciled entirely with the view of the Maritimes that the railways should be utilized in a way to bind the Maritimes more closely to Canada.

Canada may find, in the national interest, that it is worth while to adjust the cost of transportation in both directions between the Maritimes and the rest of Canada. But if that decision is made the railways should not be asked to pay the cost. It would be unfair to the C.P.R. and misleading in the case of the C.N.R. The problem is essentially a national problem and not one of railway administration.

MAINTAINING PRICES

CANADIAN manufacturers are witnessing an experiment in price stabilization that has a vast significance in these days of changing merchandising methods and new theories in economies. The efforts of the druggists, through the Proprietary Articles Trade Association, and the grocers, through the Canadian Fair Trading League, to maintain prices on branded articles, are evidences of modern business's need of new methods to meet new conditions.

A trade paper, serving an important branch of merchandising, not yet seriously affected by price cutting, chain stores, desk jobbers and sundry other manifestations of the times, has comments of value on the price fixing movement.

Hardware and Metal says:

> "Every branch of trade in Canada will await with much interest the decision of the courts as to the legality of price maintenance through an association in this country. While some measure of price maintenance has been carried out by individual firms in this country in the past, there has been no precedent for the organization which has just now commenced to function in the drug trade under the name of the Proprietary Articles Trade Association and under the direction of Sir Wm. Glyn-Jones who fathered a similar movement which is said to have been functioning in the Old Country for many years.
>
> "The case has now reached the courts in Canada, a writ having been issued by the head of a prominent chain of cut-rate druggists who were put on the association "stop" list for refusing to abide by the minimum prices established by the P.A.T.A. This latter action cut off all source of supplies of lines represented in the association and this retailer therefore charges the organization with being a combine in restraint of trade. Counsel have been appointed to represent both sides and the case will come up for hearing shortly in Canadian courts. In view of the fact that the further extension of price maintenance to other Canadian trades is now being hindered because of the fear of legal complications, it is plainly to be seen that a favorable decision on the legality of the methods adopted by the P.A.T.A. will provide an immediate impetus to the movement in these other trades.
>
> "Those who oppose the movement point out that retail druggists have not apparently been suffering much from the alleged price-cutting, and it is further claimed that prices on drug supplies to the consumer will be increased. It is doubtful if this will be entirely the case, as the price established by the association is in some instances lower than the price which many druggists have been securing for the same article. Of course, the price established is a minimum and the higher price can therefore be asked if desired. Others claim that the movement will give an impetus to the sale of private brand merchandise, but this also remains to be seen, for the sale of private brand merchandise at lower prices than an alleged equivalent in a nationally advertised branded article does not mean nearly as much as the cutting of a price on the identical article in one store as compared with another. There are many angles to the question and a little experience will probably indicate best whether or not the plan will work successfully in this country."

DISLIKES OUR MUD

GRATUITOUS criticisms from visitors are usually as pleasantly received from visitors to our country as from guests in the household. The poor old Bishop of London found that when he made a few well-meant remárks about immigration, imperialism and sundry after-dinner topics and found the editors of the country keen to jump upon him.

There is a ring of truth and a point of significance to something that Lieut. H. Gladstone Hill, of New Zealand, said in Montreal the other day. It strikes home. Said Lieut. Hill:

"I have been impressed with the immensity of the country and the undertakings here, but I am not impressed, to be candid, with the mudslinging among your politicians.

"This is to be deplored, for it is driving out, or keeping out, the better type of men who would give their services to the country if they were not going to be put on the rake every time they appeared in public.

"I am pleased to say that in other parts of the Empire higher standards prevail."

If we do not like this, it is because the truth hurts.

DIFFERENT IN CANADA

SOME Old Country labor agitators have become so soured by the successive years of poor foreign trade, unemployment at home, and low wages that are the lot of the British worker that they can not see conditions differently when they travel abroad. One of them spoke in Toronto on labor day and made himself ridiculous by prophesying similar conditions for Canada. He foresaw Canadian industry dwindling and Canadian manufacturers slashing wages to keep in the world race. Then, of course, followed the usual plea to the workers to unite to prevent such bondage, etc., ad nauseam.

Canadian manufacturers, and American manufacturers for that matter, have definitely passed the low wage era. Systems of wages will tend towards the setting up of standards and payment by results.

It has been proven on this continent that low wages do not necessarily bring permanent pre-eminence in world trade. This British labor orator would be doing better by the world which lets him live if he would go home and tell the British worker something about labor conditions here.

EDITORIAL NOTES

STATIC is radio heckling.

* * *

WILL THERE be peace in Peace River on election day?

* * *

LISTENING to election speeches by radio is safer—for the speakers.

* * *

THERE is something anomalous about a postman walking in a Labor day parade.

* * *

THE INDEPENDENT daily papers are reaping a harvest. They get advertising from both parties.

* * *

COLD weather coming on. Have all you patriotic Ontario and Quebec people got your American coal in yet?

* * *

QUEBEC'S births, deaths and marriages are now included in Dominion figures for the first time. This is as it should be.

* * *

THE CONSERVATIVE nominee who got stuck in the mud in Manitoba and failed to get his nomination in on time will be a good roads fan from now on.

* * *

IS "SCOTSMAN" the way to spell it? The Wall Street Journal is not taking any chances, for it uses Scotchman, Scotsman and Scotman in the course of one short article.

* * *

AMONG the evidences that figures by themselves may be misleading is the fact that the average rate of customs duty collected in Canada has been higher during Liberal administrations than during Conservative administrations.

* * *

ONTARIO did not waste its money when it put up its own building at the Canadian National Exhibition, Toronto. "We've been; we've seen and we've been conquered." Nova Scotia is also there. Other provinces might find exhibits at the C.N.E. worth while.

Fifteen Years Ago

Extracts from Files of The Financial Post.

Total wheat crop estimated at 173,000,000 bushels.

Bank of Montreal decides on a new stock issue at 175.

The Post, takes stand against reciprocity with U. S. A.

Child's Restaurant on lower Yonge St., Toronto, forced to turn away 3,500 customers daily.

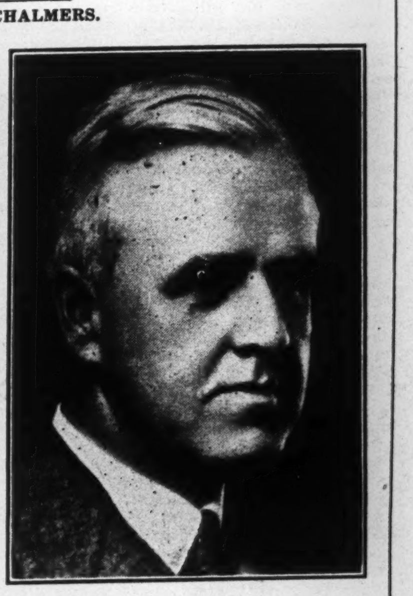
B. C. Packers close successful salmon season.

Competition is Spur That Makes One Keep Up With Big Business

This is Philosophy of John W. McColl, Who Enjoys Being in One of Most Competitive and Rapidly Changing of All Businesses

INCREASES SALES SEVEN TIMES SINCE THE WAR

By **FLOYD S. CHALMERS.**



JOHN W. McCOLL.

HOLDING one's own in a highly competitive business is the most thrilling experience in business. The old adage to the effect that competition is the life of trade might be rewritten to read that competition spurs one onward to success. Some men thrive on competition; thrive in fact, because of it. Others, requiring self-complacency, fall behind when serious competition develops.

One man who is in a very competitive business and who likes the business because of that fact is John W. McColl, president of McColl Brothers, oil refiners, of Toronto and elsewhere in Canada.

"Once a business man gets self-complacent, he begins to take a back position in the parade," Mr. McColl said to me the other day.

"It takes the spur of competition to bring out the best that is in us.

Must Be Ever Alert

"In the oil business we have to keep up to the minute. We can never be satisfied with what we have achieved. The business is continuously changing. It is an eternal revolution. The oil man who is not ever alert loses out.

"I have been in this business 26 years and it has gone through about six complete changes in that time. And it is still changing.

"We have just completed a refinery that is the most up to the minute thing of its kind in Canada. We are pretty proud of it; but I was in Chicago over the week end and saw several refineries that have improvements even on ours. We will make some changes right now in our refinery. We will keep on changing it. It would be fatal to take anything as the last word in oil refining."

Increases Business Seven Times

It is this constant check upon the existing order that has been responsible for the remarkable rise in the position of McColl Brothers under John McColl. When he took over the business, on the death of his father, in 1918, it had a yearly business of around $400,000. Now its turnover is $3,000,000. The rise of the motor car is responsible, of course, for the opportunity. The refusal to relax efforts, even for a moment, has made it possible for McColl's firm to keep up with the automobile industry.

"It does you good to have someone spurring you on," said Mr. McColl. "That's one important reason why we do not operate our own service stations. We build them and own them but we lease them out to men in the trade. Men work harder and better for themselves than for us. They do not argue about hours and holidays when they are working for themselves. These men, as owners of these stations, sell more of our gasoline than they could sell if they were only managers for us.

Complaints That Help Business

"And they keep us up to scratch too. If they get an order of gasoline that is just a fraction off from the peak of quality we hear about it. They make us give them service and so they keep us from getting too self satisfied.

"We have a salesman who has been with us for over a generation. Some people say he is a crank. He certainly does a lot of complaining. But he is one of the most valuable men we have. So long as he is around we won't fall behind through being too much satisfied with ourselves."

Had to Create New Business

John McColl has been in the oil business twenty-six years. He has seen many changes in that comparatively short period. The biggest change has come in the last five years. Mr. McColl took up one of the hardest jobs in the world when he became president of McColl Brothers in 1918. That was the job of succeeding a successful father and measuring up to his abilities and standards. But it was not a case and could not be a case of continuing the policies laid down. Mr. McColl has, in fact, created and developed an entirely new business for his firm. When he took it over, it was not in the gasoline business. It sold oils and varnishes, the oil chiefly to industrial plants. Now its business is to a large extent a business attuned to the motor car.

Mr. McColl's first job in the oil business was turning the handle of a copy press and making illegible impressions of the firm's letters. He went to his job from college, where he spent a year before becoming entirely overcome by the desire to get to work. He was then 19. Step by step he went through the McColl organization, selling, working in the refinery, handling books, etc. He learned the oil business thoroughly and, without engineering training, became thoroughly well grounded in the technical side of oil refining. Walk around the refinery with him and you will find the experts on the job stopping him to ask his advice on how a certain little process could be improved.

Business Has Changed Greatly

When he started in the business, petroleum oils were not used. Raw materials were animal fats and fish oils. Then petroleum oils were brought in. At first, they were mixed with the older oils and in time replaced them entirely.

Oils were not scientifically devised in those days. Machines were often lubricated with oil so thick that if a stream of it fell on the ground the whole quantity was pulled away with it.

Steam plants were the big market for oil. Then threshers came in as a big market. One revolution change succeeded another in sources of raw material, methods of manufacture and markets, and it was a continuous race to keep it up to date.

Then came hydro power. The steam plant market was gone. Electric motors used little oil. After the war, the oil business, McColl's business was in the dumps. At that time, Mr. McColl had to take over its management and operation. Seeing the potentialities of the new market and putting the business in line to take advantage of it was his job, a job he has most successfully handled.

First, he captured a share of the

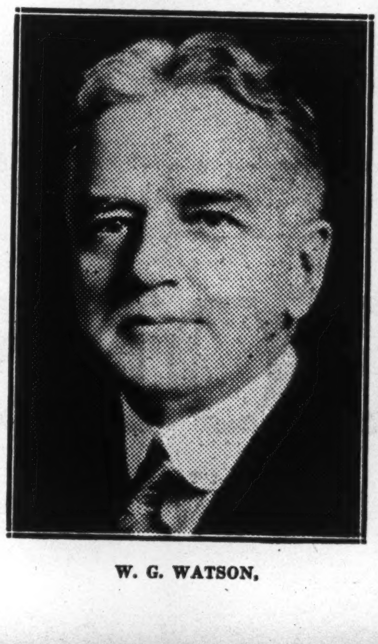
(Continued on page 11)

Opportunity for Young Man is Best in Canada

"AFTER traveling backwards and forwards over Canada for the past sixteen years and seeing the development that is going on in the country, the more am I convinced that if I were a young man starting off in life, it is in Canada that I would prefer to have my lot cast."

This remark was passed in Vancouver the other day by a Canadian business man who has made good in Canada.

W. G. Watson, general manager of the Toronto General Trusts Corporation is the business man so quoted.



W. G. WATSON.

"If young men could get old heads put on their shoulders, they would not rush off to the United States as soon as they had finished their education in Canada, as so many of them do," said Mr. Watson. "Their earnings for a year or two south of the line may be a shade better than in Canada, but eventually, for men of energy, enterprise and character, the bigger opportunities for achieving great things and financial success lie in the Dominion."

Mr. Watson was appointed general manager of the Toronto General twenty-seven years after he had accepted a position as accountant with the firm, and at a smaller salary than he could have had in another position at the same time.

W. G. Watson was born on a farm, and went to a little red schoolhouse in Peel County, Ontario. Without a university training, he entered business and rose steadily. Two years ago he was given his present responsible post.

St. John Dry Dock and Shipbuilding Co., Limited

5½ % Bonds
Due:
January 5th and July 5th
1927 - 1956

Principal and Semi-annual Interest payable from an irrevocable subsidy granted by the Government of the Dominion of Canada to the Company and assigned by the latter to the Royal Trust Company in favour of the bondholders.

Quotations given upon request

Inquiries invited

Cochran, Hay & Co., Limited
TORONTO
Dominion Bank Bldg.
KITCHENER 83 King St. West
LONDON Dundas Building
LONDON, E.C. 2, ENG.
Gresham House-Old Broad St.

Investment Consultation

NO matter how small your available funds may be, we invite you to make an appointment with a member of our firm to discuss the investment of it.

By so doing you incur no expense and place yourself under no obligation to us.

Inquiries invited.

R. A. DALY & CO.
BANK OF TORONTO BUILDING
TORONTO
Members Toronto Stock Exchange

Reports on British Columbia

Those who have investments in British Columbia and are uncertain as to their value are invited to consult with us.

Through the various departments of this institution we are in intimate contact with conditions throughout the province.

Pemberton & Son
Financial Agents
418 HOWE STREET
Vancouver, Canada

CANADA PERMANENT MORTGAGE CORPORATION

Quarterly Dividend

Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of

TWELVE PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

FRIDAY, THE FIRST DAY OF OCTOBER

next, to Shareholders of record at the close of business on the Fifteenth day of September.

By order of the Board.

WALTER F. WATKINS,
Secretary.

Toronto, August 18th, 1926.

Fitting the Investor's Needs

No one type of investment can possibly suit all cases. Investors have needs which are widely varied.

Some who have not made specialized study of investments desire securities which will need a minimum of attention and which will afford at the same time, the maximum of safety—investments which will never occasion a moment's worry, and which will retain their dependability.

The business man, in constant contact with business and investment problems, may like a wider range of securities and may need them for a great variety of purposes—either personally or in his business reserves or special funds. These indicate but a few of the needs.

Thirty-seven years' experience in fitting investments to individual needs is at your service without the slightest obligation on your part.

Inquiries invited on all investment matters.

A. E. AMES & CO.
LIMITED

Business Established 1889.

53 KING STREET W. - TORONTO
TRANSPORTATION BLDG., MONTREAL
BELMONT HOUSE, VICTORIA, B. C.
LONDON BLDG., VANCOUVER, B. C.
11 WALL STREET - NEW YORK
GRESHAM HOUSE, OLD BROAD ST., LONDON, ENG.

Investment Securities

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

Goodyear Preferred

Will you give me your opinion of Goodyear Tire preferred?

We consider the preferred stock of Goodyear Tire and Rubber Company an excellent and well-secured investment yielding the investor a very satisfactory return.

One Good, One Bad

I have been considering the purchase of National Debenture Corporation bonds and would like to know what you think of them; also the units of French, Belgium and Italian bonds offered by C. M. Cordasco & Co.

The Sinking Fund Collateral Trust Gold Bonds from National Debenture Corporation seem to be very well secured and may, we think, be purchased with confidence.

We strongly advise against the purchase of French, Belgian or Italian bonds as being offered by C. N. Cordasco and Company, Montreal.

Willard's Chocolate

Your opinion on Willard's Chocolate preferred and common shares would be valuable.

The preferred and common shares of Willard's Chocolate Company are not too satisfactory under present conditions.

The company is in a field where the competition is very keen and is showing small profits on a large volume of business.

Recently, it entered the milk business with full equipment and most up-to-date machinery but so far there it no information available as to the company's activities along these lines.

Common stock is quoted at a very nominal price of 5 to 15 and the preferred at 68 to 72. The preferred is on a dividend basis of 8 per cent.

Briggs Manufacturing

Can you give me any information about Briggs Manufacturing Company, of Detroit, in which I am a shareholder to the extent of 100 shares.

King, Bove and Studgell, of Windsor, members of the Detroit Stock Exchange, write us: "The Briggs Company is well established and enjoys excellent management. Among their customers is included Packard, and many other well known Companies. It is our opinion that over a period of time the stock of this company should reach a much higher level."

When You Wish to Buy or Sell

Through our extensive system of offices, plus private wires and correspondence connections, we are able to obtain prompt and reliable quotations and information on securities dealt in in all markets.

We invite you to use these investment facilities. Write our office nearest you.

Royal Securities
CORPORATION
LIMITED
164 St. James Street
MONTREAL
Toronto Halifax Saint John Quebec
Winnipeg Vancouver New York

Nova Scotia

For goodness sake tell me all you can about the position of the bondholders of the Nova Scotia Steel and Coal Co. I and a large number of others in this neighborhood are considerably interested in these securities and worried as to the final outcome of the present default on the bonds.

Yes, we would advise you to deposit your debenture stock of the Nova Scotia Steel and Coal Company with the protective committee. These men are all holders of the stock and will look after your interests to the best of their ability.

In the forthcoming re-organization of Besco, the various protective committees will enter into negotiations with the holding company, namely, Besco, and eventually arrive at some basis of re-organization which will satisfy all the various classes of security holders.

The sooner the various protective committees are in a position to become active, the sooner will the Besco re-organization be formulated and finally accomplished. If the subsidiary companies wish to remain in the British Empire Steel group, the holders of securities, such as yours, will have to be satisfied with a drastic scaling down of their holdings.

It seems to us to be a reasonable assumption that the Besco subsidiaries stand a better chance in the future by hanging together, rather than being split up and operating individually. The latter would occur should any of the mortgage security holders definitely foreclose on any section of Besco's holdings.

U.S. of Brazil Bonds

Inquirer, Toronto.—I would like your opinion on the safety of 6½ per cent. U. S. of Brazil Loan, the last issue brought out by Dillon, Read & Co. I bought these at $912 per $1,000, at time of issue to yield 7.30 per cent. Have 60 per cent. of the bit I am worth in it, and now have a very special reason for wanting safety. Of course, I would be prepared to take a business risk of the loss of, say, $50 on each if I should hold, but no more. Should not have to lose on bonds. I have heard it said that the further away the investment the nearer the loss. Do you think there is fair safety in holding?

We have been inclined to favor the better class of foreign bond issues. They give investors the high yield that so many of them seek, with the maximum of safety that can be obtained with such yield. The United States of Brazil Loan was well set up, representing the obligation of one of the strongest nations in this hemisphere, and should over a term of years show appreciation in value.

We do not feel, however, that any investor should have as much as 60 per cent. of his total capital in any one such issue, and we would advise that you would take steps gradually to transfer some of your capital now invested in this issue into more diversified group, in which you might include some Canadian Corporation bonds or the higher grade preferred and common stocks.

This would represent the sacrifice of something in annual income but it is worth making for your peace of mind.

Debenture and Security

I should feel obliged if you would advise me your opinion of the Debenture and Security Corporation with whom is being merged the Canadian Mortgage Investment Company. I should also be glad to know to which class of security you would prefer to switch; the ordinary stock, the 5 per cent. preferred redeemable stock or the 4 per cent. debentures.

We think that shareholders of Canadian Mortgage Investment Company would be well advised to accept the offer of the Debenture and Security Corporation to transfer their stock into the new company. What is happening is that the company is really changing from a mortgage company into an investment trust. This is, in the case of this company, a step in tune with the times. The mortgage business has continued to grow in importance in Canada, but the Dominion Mortgage Investment Company has found conditions more difficult, it has depended in the past almost exclusively on British capital and for a number of years it has not been profitable to bring British capital to Canada for investment in mortgages. The company has now decided that it would have better results from investing in foreign bonds and other diversified investments, and that is the reason for the formation of the Debenture and Security Corporation to buy out the old company through this transfer of stock.

The deal will not go through unless a sufficient number of shareholders indicate their willingness to go through, but as the directors are behind it, it is probably the best thing for the shareholders. Shareholders have the choice of three classes of security and their choice should be made upon the basis of the type of investment they want to hold.

If they accept the 4 per cent. debentures, they will have an excellent, well secured investment, which will return to them their entire principal in ten years. They will then be out of the company entirely.

If they accept the preferred redeemable stock, they get a higher investment return.

If they take the ordinary stock they become partners in the enterprise and share in its joys and sorrows, and its profits and losses.

For the investor wanting the most conservative type of investment, the debentures should be chosen. For the investor in a position to gamble something on the speculative chances, the ordinary stock has its attractions, and between the two lies the preferred stock.

Gold Centre

G. W., Ontario.—I have held 200 shares of Gold Centre for some time. I am told that it was in Porcupine, adjoining Hollinger and Vipond. Could you tell me anything about it?

Gold Centre mines is a prospect located as you say in Porcupine camp near Hollinger and Vipond. Its outlook is not bright. It has not been well handled and the shares are now selling around 3 cents.

Fiske Gold Mines

W. H. S., Nova Scotia.—I hold a considerable number of shares in Fiske Gold Mines and am anxious to know what developments have taken place, also your idea as to the future of the company.

Fiske Gold Mines have some well located holdings in the Northwestern Quebec gold fields. This summer is the first opportunity that the company has had to do much work and while definite information as to the results on this property have not been forthcoming, finds reported on some adjoining properties should prove encouraging to the Fiske people. It is a slow and expensive field in which to work but the advent of transportation the end of this year should speed things up.

"Splendid Paper"

Messrs. Financial Post,
143 University Ave.,
Toronto.

Dear Sirs:

I have read your splendid paper for some time with so much benefit that I would like to become a regular subscriber. Please find enclosed my cheque for six dollars, five being for the "Post" and one for your Survey of Mines when published.

Yours truly.
.........................x

x Name on request.

Goldhill-Hilltop

Banker, Ontario.—Can you give information in regard Gold Hill and Hill Top. What are the possibilities of the latter and how do the shares look at 30 cents.

Goldhill and Hilltop mines are being handled by the same people. They carried on an aggressive operation in Goldhill and have to-day what looks like a mine. Hilltop property is in the same area and has the appearance of a likely prospect. The management of the enterprise is such as to assure shareholders a run for their money.

Porcupine Kirkland

Reader, Toronto.—Has Kirkland Porcupine capable management. I understand that Canada's gold industry paid dividends in 1925 amounting to over $8,000,000. Could you give me any idea of how this compared with dividends paid by other industries.

Porcupine Kirkland Gold Mines seems to be moving in the right direction. They have employed the best engineering brains to advise as to the opening up of the Cabot Tp. holdings and a report will soon be issued. The company is making good progress with its financial arrangements and the manner in which the proposition is being handled would seem to assure shareholders a run for their money. It is a difficult matter to find a common ground to compare mining dividends with those of other industries. Besides mining is only in its infancy and its possibilities are vast.

King of the North

Reader, Furgus.—In 1907 I bought 50 shares of King of North Gold Mines through a firm in Montreal calling themselves Cobalt Securities Co. I was told at the time it comprised 200 acres in Boischatel Tp., and according to the analysis of the ore it was considered very rich. It was incorporated under the laws of Quebec and though it has been inactive for 15 years I am told it was never liquidated. Could you give me any information about it?

We have just received a copy of the latest map on Boischatel Tp., Que., in which the holdings of the various companies in that township are marked. It shows a long narrow strip of property, presumably 200 acres, on the border of Desserat Tp. held in the name of King of the North Mining Co. It is surrounded by excellent companies and this is taken to indicate that the property has some merit. We know nothing of the company.

Old Mining Issues

J. E., Ontario.—I came across a number of stock certificates in a drawer. They must have been there 20 years. Are they of any value. They are: Ibex Mining Co., Incorporated, B. C., certificates date 1897, 1,000 shares. Gold Hills Development and Exploration, of Toronto, dated 1897, 250 shares. Little Bess Gold Mining Co., Washington State, 1897, 250 shares. Kootenay Exploration, B. C., 1897, 42 shares. Emma Abbott Mining Co., Wisconsin, 1899, 100 shares.

The only one of the five companies that we were able to find any record of was the Ontario one, Gold Hills Exploration. The seventh annual report of the Ontario Department of Mines announces the incorporation of the company and as that is its only appearance in the records, it is to be presumed that it did not last long. British Columbia records within a couple of years of the date given on the certificates, fail to record such companies. We have no records of U. S. companies and made an effort to get the information for you but without avail. No one seemed able to lay their finger on records that mentioned these companies.

Brooks Steam Motors Not First Milestone on Road to Success in Investment

I am a clerk and I do not know anything about investing (and find there are lots more who do not know any more than I do.) Would you be good enough to advise me what you think of Brooks Steam Motors?

You are starting off on the wrong foot, if you make Brooks Steam Motors your first investment.

The small investor ought to start off with only the very highest grade of investments. As he acquires additional capital, a reserve of good securities and some experience in investing, he can turn to different investments; each time buying something a little less safe but a little more profitable. The milestones along the road would be something like this:

Dominion of Canada Bonds; Provincial Bonds and Municipal Bonds.

High grade public utility or corporation bonds.

Bank stocks representing the best in investment.

Preferred stocks not in the highest investment class and good common stocks.

Finally, speculative issues.

Traveling along this safe and sane road to sure results, the investor would learn in time that securities like Brooks Steam Motors are hardly worth considering.

Brooks Steam Motors looks like a mighty unattractive speculation to us. The promoter of this enterprise, Oland J. Brooks, has floated some concerns that have gotten along fair to middling well, but he floated them at what we consider high cost; which was paid by the investors who bought their stocks.

A few years ago, he seized upon this idea of floating a company to put a steam car on the Canadian market. We do not know anything about the merits of his steam car as a mechanical device. We do not consider that that has much to do with the investment side of the matter, since the stock he is offering has features that, in our opinion, bar it from more than passing consideration anyway.

In the first place, the investor pays for the preferred and common stock of the company a higher price than he ordinarily pays to get in on the ground floor of a new and speculative enterprise. For what it costs him to join up with Brooks Steam Motors he could get into a better and more well tried proposition.

He is paying for a Rolls Royce investment and getting a Ford. The Ford is a good car, none better at its price. Brooks Steam Motors stock might have merits at a price. It is our opinion that the price asked by Mr. Brooks and his associates is too high.

Recently, we have had a good deal of correspondence with Mr. Brooks. He objects to a number of things we have said about his proposition in The Financial Post. I turn, we asked him a number of questions and were willing to revise our estimate of his propositions if the answers he supplied to our questions made us think differently of his company. We were quite ready to be shown. Mr. Brooks has sent us lengthy letters but somehow they don't touch what we consider to be the core of the whole proposition—what it is costing to raise the capital and how soon earnings are likely to overtake the heavy expenses of getting the organization started. Some day we may get another letter from Mr. Brooks with some real information in it.

When it comes, we shall read it and if his proposition looks any better we shall says so in The Financial Post.

In the meantime, we suggest to investors, and especially to smaller investors, that it is our opinion that they can do better elsewhere.

FOLKS and Finance

"TOMMY" Longboat, famed Indian racer, has a warm place in the heart of Lt.-Col. J. G. Weir, partner in the Toronto investment house of McLeod, Young, Weir and Company.

Gordon Weir took a post graduate course at Harvard University and found that at that time—1909—products of Canada were held in low repute across the border. He found himself continually forced to explain that Canada was no mere colony, that King George was not a tyrant and that Canada was a fair to middling progressive country. But the American students were unbelievers.

Then came the Boston Marathon that year. Tommy Longboat romped home far in the lead with three other Canadians two, three, four behind him. It made it easy for Weir. Canadians were "it" around Harvard for a while.

Col. Weir later joined the staff of The Financial Post and is now a successful investment banker.

FRIENDS of Wilkie G. Fowler, Vancouver manager for the Gutta Percha & Rubber Co., are claiming for him a peculiar record in enterprise.

While the smoke was still ascending from a fire that destroyed the company's warehouse and office quarters, Mr. Fowler had his company back in business, losing just about four hours of the business day by reason of the fire.

Chronologically, this is what happened:

4:30 a.m.—Telephone call to Mr. Fowler informing him that the company's stock was going up in smoke.

6:00 a.m.—Mr. Fowler making a survey of the neighborhood in search of new accommodation.

6:30 a.m.—Finds building on nearby streets, sends notice to telephone company to have instruments installed.

7 a.m.—Wires Toronto business to be resumed at once.

8 a.m.—Discovers supposed vacant building has been rented.

Noon.—Signs short lease of vacant suite in building half block from fire, (which still burns).

Afternoon.—Telephone installed, available office stationary from home transferred to new office, new books opened and branch functioning.

POST-Scripts

THE familiar "Red Indian" trademark on all McColl Brothers service stations came more by accident than design. It was originally office slang.

In earlier days, oil was purchased at wholesale from the Indian Refining Company. There were several grades of this oil, distinguished by different colored labels, of which in time the red label became the most popular.

In office parlance, the oils were called Indian oils, to designate their source and they were further distinguished by the abbreviations, blue Indian, yellow Indian, red Indian, etc. And when the red Indian outsold the others, the name continued to stick and in time the firm realized that it has a real asset in the name that the clerks in the office had originated and Red Indian became the trademark.

DIFFERENCE in nationality is always interesting.

A man who attended the International Chamber of Commerce in Rome and Brussels studied the types there and found most representatives running true to form.

To illustrate he told this story:

"You probably have heard the story of the six men of different nationalities who agreed to devote a year to the study of the elephant.

"They met, duly, and the Englishman submitted a substantial volume of 400 or more pages on 'The Elephant and How to Hunt Him.'

"The Frenchman in turn contributed a mauve libretto entitled 'l'Elefant—Sa Vie Armoureuse' or 'The Love Affairs of the Elephant.'

"The Irishman, of course, had written on 'What the Elephant Thinks of the Irish Question.'

"The German had six voluminous tomes entilted 'An Introduction to the Study of the Elephant.

"The Russian had retired to his attic and evolved "The Elephant—Does He Exist?'

"But the American won the applause of the crowd with his small brochure in clear 24-point Caslon entitled 'Bigger and Better Elephants.' "

GENERAL GUY E. TRIPP, chairman of the Westinghouse Electric Co. and a board member of a dozen other corporations, is very much accustomed to getting things when he wants them. Service is a quality which he has grown to demand. On railroad trains, steamships, at hotels, and at 150 Broadway he gets what he wants when he wants it. In Atlantic City the Westinghouse officials were gathered at a dinner with some of their customers. General Tripp was at the head of the table. Near the end of the meal Tripp decided that he wanted some cigars; so he turned to a gentleman who was standing near his chair and with hardly a glance, said, "Waiter, get cigars and pass them around."

The gentleman looked at General Tripp, thought a moment, and then went around to the cigar counter and purchased two boxes of cigars which he proceeded to pass among the guests.

Some time later one of the officers of the company told General Tripp of the great joke. The man who had been taken for a waiter was one of the company's customers. It is needless to remark that he was reimbursed for the cigars and given credit for being able to appreciate a situation. The story is told by Forbes Magazine.

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The new 5th edition of the Greenshields Catalogue of 50 leading Canadian Securities.

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COMPETITION IS SPUR THAT MAKES ONE KEEP UP WITH BIG BUSINESS

(Continued from page 10)

motor car market for lubricating oils. Then he bought in wholesale quantities and broke into that market. Finally, the firm built its own refinery and it has just been completed.

Mr. McColl bought an oil tanker for the firm, to bring the company's crude oil from Buffalo to Toronto. If the crude gives out in the States, the same tanker can pick it up in any port in the world. It cruised the seas for the British admiralty during the war. He established a distributing system covering all Ontario and Montreal for gasoline and in eight provinces for oils. This is being enlarged to cover wider territory. Expansion plans fill Mr. McColl's mind at this time.

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WHEN buying bonds for investment two factors should be taken into consideration. First—Property values, revenue producing powers and other tangible elements of security. Second—The character and experience of the investment house which sponsors the issue.

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Bits About Bonds

Canadian National Railway income charge debentures have been stronger of late and the settlement of the G. T. P. debenture holders dispute is regarded as having definitely improved the position of this security. This is the debenture which is paying no interest, as it is an income charge bond entirely, but which will mature in May, 1930, when the Canadian National will have to decide how it is to meet it.

Present price is around 69, a considerable advance from quotation of 53 earlier in the year.

* * *

Foreign government bonds have shown decided strength recently, and while there have been no sensational advances, the European issues have trended upward with increased public buying. This change of sentiment is attributed to the progress made by the Poincare ministry in France and to the announcement that the Italian Council of Ministers have passed a finance measure in accordance with Premier Mussolini's financial reorganization program, which calls for the reduction of 2,500,000,000 lire in Italy's paper circulation and a reduction during this budget year of 5,100,000,000 lire out of a total paper circulation of about 9,500,000,000 lire, although 2,100,000 of reductions will be by substitution of silver coins for paper currency.

Bankers in New York feel that if the European countries continue to improve their financial conditions, demand for foreign bonds will increase and prices rise. At present there are many issues selling to yield from 7 per cent. to 9 per cent., rather an extraordinary return in the present investment market.

Annapolis Apples Below Normal

Present prospects of the Annapolis Valley apple crop are that it will be 70 per cent. of normal crop, or approximately seven hundred to eight hundred thousand barrels for export to the English market and about six hundred thousand barrels for local markets. The quality is much superior to last year's crop, although there are some spots in a few localities. It is thought that if conditions improve in England it will be possible to increase the exports by shipping larger quantities of "domestics."

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It is reasonable to assume that the St. James Building, now being built on the property of St. James United Church, St. Catherine Street, will have no difficulty in keeping its space fully rented. Already more than half the shops in the structure are rented.

Fully rented, revenue available for interest will exceed interest requirements three times over.

We offer the First Mortgage 6½% Bonds on St. James Building.

Price: 100 and accrued interest to yield 6.50%.

(Each $100 bond carries a bonus of ½ a share of common stock)

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News of Investment Markets

Investment Houses Owe Client's Protection From Loss After Issue Sold

Some Frank Speaking on Subject of "Following Through" in Investment Selling to Protect Investors from Early Book Losses

IT IS a circumstance that may add either relish or ill taste to investment that the market value of a security is not always the same as the intrinsic value. Investment profits are longest when securities selling at below their real value, can be picked up by the investor and held for a short or long time until merit is recognized and market values climb.

Happy then is the investor who has made the profit. But what if the situation is reversed; and the investor has bought a good security only to find that the real market for the security, at which it is changing hands, is so much less than the real value that he would have to take a serious loss if he were forced to sell his security? The circumstance is by no means uncommon and has lead to much thought by responsible investment bankers as to ways and means by which they can avoid declines in their security offerings after they have been entirely sold by them and have gotten into the hands of the public.

Investment Houses Now More Alert

The subject is one on which the soft pedal has been fairly generally applied. Security houses, naturally, are loathe to admit that it is oft times the case that, after a new issue has been on the market a few weeks or months, it may decline a few points or even several points, causing rather serious loss to those investors forced to liquidate their holdings within that period and considerable concern to others who are not forced to sell but imagine that something untoward must be happening in the company's affairs to cause such a decline in price. Yet this does happen. It does not happen as often now as it used to, chiefly because investment bankers are awake to the dangers inherent in the situation and are striving to avoid such occurrences. But nevertheless, it happens often enough to have lead at least one investment expert on the other side of the line to have set forth the general proposition, as advice for his clients, never to buy a new security but to wait until it has been on the market several weeks, when it could likely be picked up at less than the offering price.

This, indeed would be revolutionary doctrine, if it were soundly based, since it would make difficult and almost impossible all new financing and bar corporations from raising capital for the legitimate and needed expansion of the country's productive activities.

Where attention is given to "following through" in placing the security there is often a healthy rise in price following the offering. The impression should not be gained that it is the general practice for securities to drop in price after being sold. This is far from being true. While it is often the case it is equally a frequent occurrence for stocks or bonds to become so popular at once that they rise in trading practically from the start.

Lack of Selling Not Universal

Fortunately, there is no need to accept the advice as worthy of general application to investment buying. Most of the important investment houses are awake to the necessity of protecting investors from unnecessary declines in the securities they sponsor. It is only necessary to bring into line the houses that have so far failed to give due attention to "following through" in investment marketing, to make the wall of protection for the investor complete.

What causes a security to decline after it has been marketed? Several reasons may have some influence. The security issue may be too large. If it is a new company, or a company in a new field, the number of investors likely to accept the issue at its introduction is small. Investors have to be sold on the proposition and their purchases are likely to be fairly small. They are ready to hazard a portion of their capital on a type of venture to which they have not been accustomed but for heavy committments they prefer to wait until there is a financial record behind the company. To put across such a new issue requires real salesmanship and it is quite possible that after the spell of the initial selling effort has been broken that many of the investors who have participated in the buying of the issue may have some after-qualms and decide that the better part of discretion would be to sell. Only a few investors so decide, and yet the educational work in connection with acquainting the investment community with the merits of the issue has declined in intensity, then there will be a fall in price altogether incommensurate with the amounts offered. It takes only a few shares of stock to break a market when there are no buyers and $25,000 of stock, offered for sale under certain circumstances, might cause a net book loss of ten times that amount in the total of an issue outstanding.

Some Issues Depressed Deliberately

A security may decline in value through the instrumentality of investment houses offering weaker issues. On these weaker issues, they have higher margins of profit and they will offer exchanges to the holders of the older issue. Then to rid themselves of the stock or bonds so acquired they will offer them at a sacrifice price. It costs them a portion of their commissions so to do but it may be worth it to market their own new issue, just as a motor sales company will at times take a loss on a "trade in" to make the big commission on a new car. Few investment houses find themselves powerful enough to protect the market for their issues against the effect of "trading out" campaigns by other dealers. In fact, some of them throw up their hands in despair and refuse to attempt to protect the market for their issues when there is wholesale exchanging among investors for other issues. They will purchase from their established clients such of these securities as they are forced to sell and usually give them either the full purchase price or that price minus a small commission for re-selling, but they will decline absolutely to buy the security back from other dealers, and certainly not from dealers whom they know have gotten the security in exchange for their own offerings.

Two Kinds of Declines

Of course, decline in a security may take place, due to some lack of intrinsic merit, too high an original offering price or a change for the worse in the condition of the affairs of the corporation represented, but we are not concerned here with such declines. We are merely considering declines that take place after an issue has been sold to the public and which are not justified by any such change. It is worthwhile to remember that in order that the discussion may be quite clear.

Decline may take place in a security because of it not being properly "digested." Some large wholesaling houses in the United States seldom reach the small investor, the ultimate purchaser, at all. In Canada this is not the case in connection with any large investment house, but there are, nevertheless, many large "wholesale" houses that create important issues and then arrange for the smaller or "retail" houses to participate in their distribution to the general investment public. The offerings of these houses are often taken up practically as soon as they are ready to be placed before the public, which explains the frequent use of the phrase on a prospectus "These securities having been entirely sold, this advertisement appears as a matter of record only." This does not always mean what the average investor might take from the statement. It is likely, at times, to mean that the issue has been entirely taken up by smaller investment houses but that the latter have their allotments yet to place with their clients. It may be explained that the phrase has this meaning in Canada to a much lesser extent than across the border. It is unfortunately true that many big issues have been labelled as sold out or oversubscribed in the United States although a few weeks later they were still being peddled painfully and with difficulty throughout the country.

Until an issue has been entirely placed with the ultimate investors who have purchased it for a hold, it is not digested and any relaxation in the selling effort is likely to cause an embarrassing decline in the market value until the point of complete absorption has been reached.

Bad Practice Invades Investment

There is a practice that has grown up in the investment business that is being fairly effectively stopped by the larger houses, but that has caused some embarrassment in keeping issues from getting into the hands of investors. Small houses will take a block of the security; and instead of selling it, hold it for a few months, counting on a fair market to have been created by that time and will then sell it without any effort after other houses have done the hard spade work and made the real market. It will easily be recognized that this practice tends to keep the market uncertain for months.

This, then, is a hurried and necessarily incomplete summary of the situation and some of the causes of it.

How Difficulty is Being Avoided

What steps are being taken by investment houses to prevent loss or annoyance to investors through any of these causes.

One tendency is towards the exercise of much greater care in getting complete distribution for an issue, placing the entire block of new bonds or stock in the hands of interested and satisfied investors. This may be achieved in a variety of ways. One is to over-sell the issue—actually to sell a larger amount than is available and then to cut down the allotments of the larger purchasers, leaving a well developed demand for any securities that may come on the market. Another way is to get wide distribution by having a number of houses join in the issue and thus getting the clients of several houses interested.

Or a house may set out deliberately to protect the market; buying and reselling all stock forced on the market in order that the market value may not go below the intrinsic value based upon assets or earnings. Listing securities early, in order to get an active trading market, is often practised but has dangers if the listing is not carefully watched to prevent bear attacks.

Choose the Right House

That investors are often puzzled and disturbed because of a decline in a security following its purchase, is an undoubted fact. The perplexity may—often does—lead to further selling, which, of course further aggravates the situation, and results in loss to the investor. What is needed surely is an understanding of the situation by the investor; an appreciation of the business in which a share has been bought. Then the security will not be lightly disposed of because some circumstances, unconnected with the earning power of the corporation, either has caused the stock to decline or to appreciate giving opportunity for a quick profit. That the best financial houses realize their responsibility to their clients, and protect them to the best of their power—are planning better ways to do this—is a bright fact. It suggests also that he is a wise investor who deals with that class of house which does feel a responsibility for its client.

August Bond Sales

Bond sales for the month of August were much lower than those for the previous month, the total being $12,999,645, compared with $58,205,534 in July. Following are the figures for August and for the eight months.

Municipal	$1,050,945
Corporation	11,948,700
Total for August	$12,999,645
January	$37,849,887
February	125,897,100
March	64,994,450
April	89,159,193
May	10,936,426
June	55,948,000
July	58,205,534
August	12,999,645
Total for 8 months	x$456,990,235

xTotal includes $40,500,000 of foreign issues offered in past in Canada.

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WINNIPEG PUTS THROUGH POWER PURCHASE DEAL

Eventually Will Mean Much to 'Peg Electric and Manitoba Power

From Our Own Correspondent.

MONTREAL—The Manitoba Power Company has successfully consummated the negotiations leading to the sale of a large block of power to the city of Winnipeg. While the final conclusion of the negotiations, which lasted many months, means little at the moment to the shareholders of the company and its parent organization, the Winnipeg Electric Company, yet its eventual effect upon the earnings of these two companies will be substantial.

The contract itself calls for the delivery of 30,000 h.p., but this will only be purchased as required by the city. Thus in 1928, the city anticipates that it will require delivery of 10,000 h.p.; the ensuing year, a further 10,000 will be purchased, and by 1930 the Manitoba Power will be delivering the full amount of 30,000 h.p. Of course, with the increasing prosperity of the city of Winnipeg and its environs, it is possible that the city may desire to obtain delivery of this energy before the dates scheduled.

The first delivery of power will be sold to the city at $20.50 per horsepower, and, as the amount increases, the rates naturally decline; the average price of the power over the duration of the contract amounts to $17.50 per horsepower. The contract covers nine or eleven years.

Gross Largely Increased

When the city of Winnipeg is purchasing the full amount of power under its contract, the gross revenues of the power company will increase by some $525,000 per annum. Moreover, the power will be delivered with but a fractional increase in overhead and capital outlay.

The present installed capacity of the Manitoba Power's plant is 84,000 h.p., whilst its ultimate capacity is 168,000 h.p. Within three months the plant will begin delivering a large block of power to the Manitoba Paper Company. Probably the surplus power from the present installation, therefore, would allow only the delivery of the initial 10,000 h.p. to the city of Winnipeg.

Thus, with the increasing power demands of the contract, it seems a reasonable surmise that possibly before the full amount of power is delivered to the city, it will be necessary to instal a further generating unit in the Manitoba Power's plant, thus bringing the development up to two-thirds of its capacity, or 112,000 h.p.

But a Small Outlay

This addition could be accomplished at but a small increase in capital outlay, for the plant is ready to have a further 28,000 h.p. turbo-generator simply dropped into its place. In addition, it can be seen that the greater utilization of the plant must mean a more than proportional increase in the net profits applicable to the common stock.

The common shares of the Manitoba Power Company naturally bring up the relation of this subsidiary to the parent company; Winnipeg Electric owns about 62 per cent. of the stock in this subsidiary. Thus the shareholders in Winnipeg Electric may form some idea of exactly what the closing of the power contract means to their company. Incidentally, in the past, Winnipeg Electric, under the terms of its contract with Manitoba Power, has been forced to purchase sufficient energy to meet the fixed charges of the Manitoba Power. At some times in the past, the parent company thus obtained surplus power which it was unable to sell. Of course, with the completion of the Manitoba Paper Company, the parent company in any event would not have been handicapped by reason of this contract. Thus, shareholders of Winnipeg Electric can see that the increased gross revenues of the subsidiary, amounting to some $525,000, must mean much to the parent company. Moreover, this is without taking into consideration the benefits which will accrue through the completion of the Manitoba Paper plant in December, or the general improving level of business in the city of Winnipeg itself.

Much Better Conditions

Tangible proof of the betterment of conditions in Winnipeg is seen in the fact that already this year 1,000 new buildings have been commenced in the city, and that during the first half of 1926 building permits totaled $8,000,000 as compared with only $2,400,000 last year.

Gray Goes West to Study Rate War

V. Evan Gray, chairman of the Canadian Casualty Underwriters Association, has left for an extended tour of the western provinces. While in the west, Mr. Gray plans thoroughly to study the automobile rate situation in the prairie provinces, with a view to stabilization of the rates. In view of the very disturbed condition which prevails among automobile insurance companies at the present time, the findings of this committee will be eagerly awaited by all concerned.

MEXICO TRAMS HIT BY JITNEYS, TAXES, STRIKES

Bad Year Reported For 1925 by Canadian-Controlled Utility

While political conditions have remained stable in Mexico, jitney competition and onerous taxation have continued to keep Mexico Tramways Company from prosperity, it is reported in the annual report for 1925.

Operating results were distinctly unfavorable. Labor troubles, jitney competition, and lack of municipal co-operation were factors which combined to reduce earnings and force the company to exhibit a heavy deficit after all charges. The situation has not improved thus far this year, and the one bright spot is that labor latterly has been more amendable.

The consolidated revenue and expenditure account of the company for the period discloses net loss from operations in Mexico of $348,473, which, after bond interest, administration and general expenses, and including net income from investments of $317,023, leaves the net shortage for the year at $984,130.

Comparative figures for three years follow:

(Mexican Currency)

	1923	1924	1925
Total car earnings—	$12,147,585.01	$11,552,657.57	$9,837,468.53
Miscellaneous earnings—	119,244.74	139,712.35	159,564.84
Total Earnings—	$12,266,829.75	$11,692,369.92	$9,997,033.37
Expenses:			
Operation—	$6,574,719.27	$6,594,912.12	$6,482,819.39
Maintenance, taxes and depreciation—	4,546,301.87	4,942,878.01	4,044,469.11
Total expenses—	$11,120,781.14	$11,537,920.13	$10,527,288.50
Net earnings operations in Mexico—	$1,146,048.61	$154,570.79	*$520,255.13

All above figures in Mexican currency.
*Deficit.

The loss on operations in Canadian dollars was $265,128, and (adding sundry adjustments of $83,346, the net loss was $348,023. Administration and general expense took another $99,023, bond interest $837,304, and sinking fund charges $23,871. Net income from investments was $317,023, and miscellaneous income $7,517, leaving a total deficit for the year $984,130.

Taxes Cut Into Surplus

The secretary, in his report, says: "It will be noted that the operating of the tramways system in Mexico City and vicinity resulted in a serious deficit, in spite of the fact that all possible economies have been introduced and that the company was well relieved during last six months of the year of the burden of the government tax on passenger earnings. The accounts show that there is no surplus revenue (available for interest or the six per cent. mortgage bonds), but a serious shortage, and on account of this deficit the reserve funds accumulated in the past have had to be depleted by a net amount of $607,437.

Jitney Still Uncurbed

"The directors view this situation with deep concern, and regret to state that there has been no improvement during the first six months of the present year. The situation is complicated by the competition of local jitney services, which are licensed to run on routes already fully served by the tram lines. The directors feel that, in the interests of the community at large, it will eventually be necessary for the authorities to take some steps to ensure that some method is devised which will result in an efficient system of transporation for the city, and give fair and equitable opportunities for the carrying on of operations with a reasonable return on capital expended.

"During the year the company's revenues also suffered seriously from the strike of its employees in the month of March. Since then there have been no further labor troubles. Political conditions in Mexico have remained stable, and progress has been made in the stabilization and rehabilitation of the country under the guidance of President Calles. No effective steps have been taken by federal or municipal governments to satisfy the claim of the company for damages which has been filed with the government,"

MEXICAN POWER PROFITS INCREASE; OUTLOOK BETTER

Directors Fairly Optimistic In Presenting Report For Year 1925

The most hopeful feature in the report of Mexican Light and Power Company, for the year to December 31 last, is the remark of R. H. Merry, secretary, that since the issue of the last report in July, 1925, political conditions in Mexico have remained stable and progress has been made in the administration and rehabilitation of the country under the enlightened guidance of President Calles.

Alluding to the political situation in Mexico, G. R. G. Conway, the managing-director, says:

The writer is glad to report that the general political conditions throughout the company's territory, and in fact over the whole republic have been quieter during the year under review than they have been for a long period, and there is every indication that under the presidency of General Calles, the rehabilitation of the country's finances will be satisfactorily accomplished. The general depression following the revolution, which was referred to in the report for 1924, has disappeared, and although business conditions throughout the year were not very favorable, there were many evidences of confidence in the future prosperity of the country."

Figures Show Power Growth

The growth of the power demand is shown by the following figures of the kilowatt hours of electric energy generated at all the company's power houses during 1921 to 1925, inclusive:

	K.W.H.
1921	369,299,000
1922	441,991,000
1923	477,062,315
1924	523,595,300
1925	560,664,705

During the year the number of consumers' accounts rose from 108,615 to 123,485, an increase of 14,870, as compared with the year's increase in 1924 of 17,539. This represents an increase of 13.69 per cent., as compared with an increase of 19.26 per cent. during the previous year.

While the gross earnings showed a satisfactory expansion over those of the previous year, the expenses increased almost to the same extent, that the net earnings from operations were only slightly in excess of those of the previous year. The high ratio of expenses was caused by additional payments under the Mexico income tax law and also through heavier maintenance charges.

Earnings up But Little

Comparative earnings figures follow:
(Mexican Currency)

Light and Power—	$ 1923	$ 1924	$ 1925
Fed. gov. & mun.			
Pub. light. ...	564,334	610,458	621,990
Office light. ..	773,715	832,543	933,571
Power	430,202	443,097	468,005
Heat	13,056	14,284	20,213
Commercial—			
Lighting	6,838,174	7,192,183	7,949,873
Power	5,702,999	6,194,851	6,739,421
Heat	402,411	487,159	598,344
	14,724,894	15,774,678	17,331,421
Miscellaneous .	103,048	89,581	89,045
Gross earn...	14,827,943	15,864,259	17,420,466
Expenses—			
Operation	4,258,486	4,062,050	4,631,025
Main., taxes and depreciation	2,260,294	3,860,422	4,811,739
Total exp. ..	6,518,781	7,922,472	9,442,764
Net earn. from oper. in Mexico	8,309,161	7,941,786	7,977,701
Add—Net earn. from oper. of sub. com. in Mexico	1,045,788	996,491	1,114,238
Net income from oper. ..	9,354,950	8,938,278	9,091,940

Note—The total gross earnings amounting to $17,420,466.09 include the sum of approximately $1,000,000, representing uncollected accounts from the municipal and federal departments for services rendered during the year 1925.

Reducing the net income into Canadian dollars there was available the sum of $4,545,970, from which has been deducted $247,693 for exchange on remittances, leaving a total of $4,298,277. To this has been added miscellaneous income of $2,450, bringing the total to $4,650,100. Administration and general expenses amounted to $144,689, interest on bonds to $1,539,396 and the balance of $2,781,015 was contributed towards meeting capital expenditures in accordance with the terms of the reorganization agreement.

Report shows that no interest was earned on the 6 per cent. cumulative income bonds. The lack of such earnings is explained: "The balance remaining after payment of fixed charges must be applied towards meeting the necessary capital expenditures for improving and developing the company's installations. A large proportion of this balance has been invested temporarily in Government securities of the Dominion of Canada, as it is anticipated that the greater part will be required in the near future in connection with the construction of a new hydro-electric development which must be commenced at once in order to cope with the continued growth of the power demands on the system. This will also involve considerable expenditure on the improvement and extension of the distribution system in Mexico City during the next few years."

Governments Still Owe Much

The report further states: "During the year under review the balance of the Alameda River Hydro-Electric bonds which was outstanding at the end of 1924 was paid off.

"It will be noted from the balance sheet that the amount still due by federal, state and municipal governments of the supply of electric light and power amounted at the end of the year to $4,393,401 81, though this shows a reduction of only $200,000 over the amount outstanding at the end of the previous year.

"The directors have for some time been carefully considering what plan could be adopted for payment of the arrears of interest on the Mexican Light and Power Company's second mortgage bonds, and also for dealing in some way with the arrears of dividends on its preferred stock, but owing to the somewhat complicated legal position in connection with these matters they have not yet been able to definitely formulate a plan. The consideration of these questions is continuing, and the directors hope to deal with them in an acceptable manner in the near future."

For Tenders, Bond Sales, Etc., see page 17, this week.

BOND MOVEMENTS OF THE WEEK

			Week Ending September 7	Range.	1925	Range, 1926		Latest Price			
Bonds—	Int. Rate	Due	Yield	High	Low	High	Low	Ask	Bid	High	Low
Asbestos, gen. mtge...	6	1956	7.44	..	...	84⅝	81¾	82½	..	82¾	82½
Can. Canners	6	1950	6.16	96½	90	100	94	98	97	98	97
Can. Cottons	5	1940	5.28	96	91½	97¾	95	97½	97¼	97¼	..
Montreal Trams. "A"	5	1955	5.50	98	92¾	95	92⅛	94	93	92¾	92½
Do., 1st mtge.	5	1941	5.20	98	94⅞	98½	97	98⅛	97⅛	97⅞	..
Quebec Rly.	5	1939	5.65	98	89¾	95	91⅞	95	93¾	94⅛	..
Wayagamack	6	1951	6.00	98¾	84¼	100	91¾	..	100	100	..
War Loan	5	1931	4.75	102.65	101.00	102.40	100.35	101.10	100.70	100.80	100.75
Do.	5	1937	4.60	104.95	103.80	104.65	103.25	103.65	103.25	103.25	..
Victory Loan	5½	1927	4.85	103.15	101.70	101.75	100.15	100.85	100.45	100.40	100.20
Do.	5½	1933	4.80	107.00	105.10	106.80	103.65	104.30	104.25	104.30	104.00
Do.	5½	1934	5.00	104.80	103.20	104.10	102.70	103.50	103.20	103.20	102.90
Do.	5½	1937	4.67	110.00	108.15	109.30	106.95	107.40	107.15	107.30	107.00
Do., Renewal	5½	1927	4.91	103.15	101.70	101.75	100.00	100.80	100.40	100.50	100.45
Do.	5½	1932	5.03	104.20	102.60	103.40	102.00	102.55	102.25	102.30	102.00
Do., Refund	5	1928	4.98	100.45	100.15	101.30	99.00	100.45	100.05	100.05	100.00
Do.	4½	1940	4.87	97.25	92.00	96.70	95.60	96.45	96.10	96.10	......
Do.	5	1943	4.86	102.95	101.15	102.20	101.15	101.60	101.50	101.60	101.35
Do.	4½	1944	4.80	97.65	96.20	97.15	95.80	96.40	96.05	96.40	96.30
Do.	4½	1946	4.80	..	...	96.50	95.65	96.45	96.10	96.45	..

WEEKLY RECORD OF CANADIAN FINANCING

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS.

Municipal

Place	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Pembroke	Sept.	R. A. Daly & Co.	5%	30-ins.	$25,000	99.29	5.05
Montreal	Seut.	Versailles, Vidricaire & Boulais	5%	30-yr.	50,000	99.03	5.10
Unity Sch., Sask.	Aug.	H. J. Birkett & Co.	5¾%	20-ins.	20,000	....	...
Trois Pistoles, Que.	Aug.	Le Corp. de Prets de Quebec	5%	20-yr. ser.	10,300	98.26	5.21
Quebec West	Aug.	Bray, Caron & Dube	5%	10-yr. ser.	21,500	97.56	5.50
Innisfil Twp., Ont.	Sept.	S. Coulter, Lefroy	5%	20-ins.	5,000	Par.	...
D'Arcy School Dis. Sask.		F. E. Watchler	5¾%	15-yr.	10,000	....	...
Lucien Lake School, Sask.		G. Moorehouse & Co.	6%	15-yr.	2,500	....	...
Domremy School, Sask.		C. C. Cross & Co.	6%	15-yr.	6,900	....	...
Middleford School, Sask.		F. E. Watchler	5¾%	15-yr.	4,500	....	...
St. Front School, Sask.		C. C. Cross & Co.	5¾%	10-yr.	1,200	....	...
Woodview School, Sask.		Regina Pub. Sch. Sink. Fund	5¾%	10-yr.	1,200	....	...
Bergthal R. J., Sask.		Locally	6%	3-yr.	800	....	...
Kawarden, R. T., Sask.		G. Moorehouse & Co.	6%	15-yr.	1,350	....	...
Moosomin Town, Sask.		Locally	6%	10-yr.	10,000	....	...
Crystal Beach		C. H. Burgess & Co.	5½%	30-ins.	90,364	104.38	5.12

NEW ISSUES

Gatineau Power Co.
1st Mortgage 5% Bonds
Due 1956
Price: 94 and interest
to yield 5.40%

Gatineau Power Co.
6% Gold Debentures
Due 1941
Price: 99.50 and interest
to yield 6.05%

The Anticosti Corporation
1st Mortgage 6½% Bonds
Due 1941
Price: at market
to yield about 6½%

The Anticosti Corporation
7% Cum. Preference Shares
Price: 97.50 and dividend
to yield 7.18%

We recommend these securities as sound and profitable investments

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Municipal Bankers Corporation
LIMITED
34 King Street, East, Toronto

CANADA SUPPLIES MORE OF CAPITAL FOR LAND LOANS

Less British and Foreign Money in Loan Company Debentures

There is no indication yet of Canadian loan companies reverting to British and foreign sources of capital to continue their loaning operations. Experience of Ontario loan companies, as revealed in the annual report of the registrar of loan companies for the past year, shows this.

While the loan companies added more than $5,350,000 to the amount of their outstanding debentures in 1925 they actually reduced the amount of such debentures payable in other countries.

Plentiful supply of money in Canada and decline of London as a source of capital for Canada are reflected in the record.

Foreign Debentures Are Down

The following table shows the amount of debentures, both domestic and foreign, issued and outstanding at the end of each of the last eleven years. The remarkable reduction which occurred in 1924 in the amount of debentures payable abroad shows no sign of recovery.

	Payable in Canada	Payable abroad
x1915	$28,435,263	$77,675,532
x1916	28,169,467	73,784,756
x1917	28,805,785	69,094,057
1918	27,438,420	69,663,965
1919	26,224,619	69,991,837
1920	29,037,935	64,355,393
1921	29,982,858	62,814,676
1922	32,394,820	65,197,496
1923	34,290,528	68,350,622
1924	38,568,404	48,081,643
1925	43,927,864	48,045,898

x Interest not included.

Mortgages Biggest Investment

There was in 1925, an increase of more than $15,600,000 in the total assets of loan and trust corporations registered in Ontario. Trust companies contributed about $6,600,000 of this amount.

Mortgage investments, amounting to more than $202,000,000, constituted 63.5 per cent. of the total assets of all corporations. At the end of 1924 the total mortgage investments amounted to more than $190,000,000 and constituted 62.9 per cent. of the total assets. The tendency to increase mortgage holdings is again apparent. The increase this year amounts to nearly $12,000,000. A comparison of total mortgage investments held would indicate that both loan corporations and trust companies have been decreasing their holdings in western mortgages and increasing their Ontario and Quebec holdings. Corporations report a continued improvement in the interest collections on western mortgages during the past year.

Foreclosures Are Gaining

Real estate held for sale by all corporations amounted at the end of the year to slightly more than $8,400,000 or 2.6 per cent. of the total assets. This marks an increase of approximately $468,000 over the preceding year. It is to be noted that loan corporations show an increase of $412,000, loaning land corporations an increase of $186,000, and trust companies a decrease of more than $130,000. It was noted a year ago that the amount represented by this class of asset had increased in 1923 by 16 per cent. and in 1924 by 12 per cent. This year's figures mark a further increase of more than 5½ per cent., indicating that foreclosures are continuing to be more rapid than sales.

Investments in government bonds by all corporations increased during the year by $1,700,000, the holding of this class of security by loan corporations increasing by more than $1,758,000, accompanied by decreased holdings of trust companies amounting to $58,000. The total investments in Canadian municipal securities show a decrease of approximately $200,000. Investments in other bonds and stocks amount at the end of 1925 to nearly $26,000,000 as compared with $21,000,000 at the end of the preceding year.

Deposits on Up-grade

The amount on deposit with loan and trust corporations amounts to $44,275,000, an increase of almost $5,200,000 over the preceding year. Deposits with loan corporations increased by $3,325,000 and deposits with trust companies by $1,900,000. Funds placed with trust companies for guaranteed investment increased in 1925 by more than $3,400,000. The total increase in public funds placed with loan and trust corporations in Ontario, amounting to nearly $14,000,000 in 1925, indicates the continued and increasing confidence of the public in these institutions. The total public funds held by loan and trust corporations on December 31, 1925, for savings and investment amounted to more than one hundred and eighty million dollars.

The total amount of estates, trust and agency funds administered by trust companies shows a further substantial increase during the past year, the amount under administration at the end of the year being $871,000,000, as compared with $823,000,000, at the end of 1924.

The total net profit of loan corporations for the year 1925 amounted to $5,982,126.92. The total profit of trust companies for same period was $2,272,465.14. Expenses of administration, as reported by the companies, amounted in the case of loan corporations to $2,123,990.56, and in the case of trust companies to $3,827,674.94.

The value of shareholders' investments in these corporations as represented by paid-in capital, reserves, surplus and profit and loss accounts, showed in 1924 as $123,524,000, and in 1925, $125,142,000, an increase of more than $1,617,000.

Insurance for Buyer and Seller

CANADIANS TAKE PROMINENT PLACE IN BIG MEETING

Atlantic City Rendezvous for Big Insurance Gathering

Thirty-five life insurance companies will take part in the international convention of life insurance companies to be held in Atlantic City, September 15-17.: This is the twentieth year that Canada has participated in these conventions, the first one having been held in Ottawa in 1906. Since then four conventions have been held on Canadian soil, the last one being held at Toronto in 1922.

When the convention opens this year, A. L. Petty, of the Great West Life Company, the President of the Life Underwriters Association of Canada, who is also chairman of the opening session, will reply to the message of greeting from F. L. Jones, President of the National Association. No less than four Canadians are to address the convention, which will have for its main theme the subject: "Raising the Standard of Life through Life Insurance." The Rev. S. D. Chown, D.D., L.L.D., will speak on "Life Insurance and National Progress;" H. B. Kilgour, a past president of the association will discuss "The Company, The Agent and The Policyholder, from the Viewpoint of the Company." William May, Jr., of the Sun Life, Toronto, the vice-president of the Canadian association, will talk about "The Significance of the job of the Manager," and George H. Harris, of the Sun Life, Montreal, will give a paper on "Income Insurance."

Immediately after the convention in Atlantic City, the Canadian executive committee will meet for purposes of discussion, the meeting taking the place of the Canadian convention which used to be a part of the Canadian association's program. Two of the American speakers who will make addresses are, Darwin P. Kingsley, president of the New York Life Insurance Co., and M. L. Davey, famous tree surgeon, who carries $1,000,000 of insurance.

Better Business in Calgary Seen in Post Office Report

By Staff Editor.

CALGARY.—The upward trend of general prosperity in Calgary, indicated since a year ago this summer by the increased revenue of the post office, is still to be noted in its statement for the month of August.

In all but two branches there has been an increase in revenue over that of the same month one year ago. These two exceptions are the stamps and savings bank departments. The postage stamp revenue dropped from $42,276.92 in August, 1925, to $36,991.97 last month, a drop of approximately $5,000.

WESTERN
ASSURANCE COMPANY
Incorporated 1851
Fire—Marine—Automobile—Burglary—Guarantee
HEAD OFFICE - TORONTO

The
ONTARIO EQUITABLE
Life and Accident Insurance Company
S. C. TWEED, President
Head Office
WATERLOO, ONT.
Assets over $2,000,000

Blames Over-loaning for Realty Quietness

Overloaning is responsible for Toronto's present real estate depression, in the opinion of one mortgage man who discussed the situation with The Financial Post this week.

"Two and three years ago, when the loaning institutions had more money than they could well use they gave abnormally large loans at 6 per cent. and other generally low rates. Builders were encouraged to put up new homes and building got ahead of the demand. Now the city is overbuilt a residential way and it is almost impossible to sell even well located property without offering a sacrifice price.

"Builders have slowed up their operations and when the demand has developed to take these extra homes off the market, prices will be firmer and the demand for improved real estate will increase."

CANADIANS BUY $850,000,000 LIFE INSURANCE YEARLY

Have Expanded Into Foreign Fields With Much Success

By R. LEIGHTON FOSTER,
Superintendent of Insurance, Ontario.

Life insurance has expanded more rapidly in Canada than elsewhere in the world except the United States. The net amount of life insurance in force in Canada at the end of 1925 amounted to $4,514,064,736, more than one third of which is represented by business in force in Ontario. This means that the insurance per capita to the entire population exceeds $550. I understand the comparable figure in the United States is $620. New underwritings of life insurance in Canada are exceeding $2,500,000 for each working day of the year.

During 1925 new policies issued and paid for in cash totalled $850,012,454. Canadians are buying more life insurance every three weeks in the year 1926 than the total amount of insurance in force two years after Confederation—less than sixty years ago. The great bulk of Canadian life insurance is carried by Canadian and American insurers. British companies carry $108,572,851 of the total. American companies account for $1,377,464,924, and American fraternal societies for $56,269,619, a total of $1,433,734,543. The balance of $2,971,757,342 is carried by purely Canadian insurers.

Americans in the Field

Sixteen American companies are licensed to transact life insurance in Canada although only nine may be termed active. The Metropolitan had a total of $633,398,511 insurance in force in Canada at the end of 1925; the Prudential a total of $310,216,418; the New York Life a total of $151,342,843; the Travelers a total of $102,445,021; the Aetna a total of $70,673,748, and the Mutual Life of New York a total of $65,411,062. The balance in force of $43,977,321 is carried by the Equitable, the Guardian of America, the State, the Union Mutual, the United States of New York, the Connecticut Mutual, the National of United States, the Northwestern Mutual, the Phoenix Mutual and the Provident Savings. The five companies last-named have ceased transacting new business in Canada.

Life insurance in Canada is scarcely more than half a century old. The Canada Life was established in 1847. It was nearly a quarter of a century before another Canadian company entered the field. No doubt the Confederation of the Provinces in 1867 stimulated Canadian enterprise because three of the largest Canadian companies commenced business in 1870-71, viz: the Mutual Life of Canada, the Sun Life and the Confederation Life. One of the first legislative Acts of the Parliament of Canada was to require foreign companies to deposit securities in Canada for the security of the Canadian policy-holders. Several of the American companies, among them the Mutual of New York and the Connecticut Mutual, withdrew from Canada with the coming into force of this legislation. In any event it is significant that in 1869, the first year for which official figures are obtainable, the amount of life insurance in force in Canada totalled only $35,680,082.

Canadian companies are also well known in foreign fields. Thirteen Canadian companies had life insurance in force outside of Canada at the end of 1925 totalling $1,049,777,347. Seven Canadian companies, the Canada, the Crown, the Great West, the Manufacturers, the North America, the Sun and the Imperial are licensed in one or more States of the United States.

Northwestern Mutual Fire Association
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA, HAMILTON, ONTARIO
THE NORTHWESTERN MUTUAL
Is the only fire insurance organization endorsed by the Retail Merchants Association of Canada.
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FRATERNAL BODIES NOW ALL SOLVENT, CLEAN-UP RESULT

Ontario Takes Pride in Position Achieved by Societies

Friendly or fraternal, or fraternal benefit societies, as they are variously called, have always occupied an important position in the life insurance field in Canada, said Ontario Insurance Superintendent Foster in a Detroit address. Such societies have in excess of $300,000,000 of life insurance in force in Canada to-day. The bulk of this insurance is carried by societies incorporated and supervised by the provincial departments, largely the Ontario and Quebec departments. Sixteen of the largest American societies transact business in Canada.

All Actuarially Solvent

Prior to 1919 there was no legislation on the statute books of the Dominion or of any province of Canada, requiring as a condition of license that a society should show a condition of solvency pursuant to an appropriate actuarial valuation. In that year the Dominion, and almost simultaneously Ontario, passed radical legislation respecting fraternal societies. Today every fraternal society licensed in the province of Ontario other than a few small societies restricting their business to government and municipal employees, have filed with the department of insurance a declaration by an approved actuary as to the valuation balance sheet, indicating that the society is in a position to provide for the payment of all its contracts as they mature, without deduction or abatement and without increase in the existing rates of contribution.

You will not be interested in a description of the difficulties which beset the societies in making the necessary readjustments or more than a reference to the courage and vision of the legislators and the executive officers of the societies which made the present condition possible. Briefly, a few societies, in anticipation of legislative action which could be foreseen, succeeded in voluntarily readjusting their rates and benefits to the extent necessary to enable them to file the required declaration of an actuary.

Benefit Readjustment Forced

Several others, however, found it impossible to take voluntary action and in such cases the compulsory readjustment provisions of the Ontario law were applied. These provisions require that where the department finds the assets of a licensed fraternal society insufficient to provide for the payment of its contracts of insurance, notice shall be served upon the society, requesting that within such time as may be prescribed, not exceeding four years, the rates and benefits of the society shall be readjusted, and that failing action upon such a request, a readjustment committee of three persons is appointed by the department, investigations made, and a report prepared, and thereupon the amended rates and benefits contained in the report "shall be and become part of the constitution and laws of such society and shall be valid and binding upon all its members, etc.—notwithstanding anything contained in the provisions of its constitution and laws before such amendments, or in its acts or instruments of incorporation, or in any policy or certificate of insurance issued by such society."

All Companies Cleaned Up

To-day this compulsory readjustment law is practically inoperative by reason of the fact that the job is done and no new society can be organized or admitted to Ontario except upon a proper actuarial basis. I believe this clean-up of the fraternal insurance situation in my own province as laudable an accomplishment as any in the history of Ontario insurance supervision and I sincerely trust that the societies may be rewarded for their co-operation by an increasing measure of future prosperity.

THE
CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
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TORONTO, 24 Adelaide St. W.
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Superintendent of Agents

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PAID-UP CAPITAL ONE MILLION DOLLARS
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IS A
GOOD COMPANY
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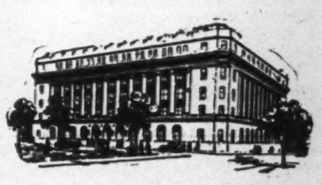
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary W. H. HUNTER, President ALEX. STEWART, Treasurer

Metropolitan Life
Insurance Co.
The Company's Canadian Head Office is in Ottawa where its Canadian business east of the Rockies is transacted. Canadian premiums are received, Canadian policies issued and Canadian claims paid in Ottawa.



Canadian Head Office
Ottawa, Canada.
Business Written in Canada in 1925........ $165,123,047
More than that of any other company.
Insurance in force in Canada, end of 1925. $833,544,780
Largest amount in force in Canada in any company.
Policies held by Canadians, end of 1925.. 2,215,742
Largest number in force in any company in Canada.
Paid Canadian Policyholders in 1925...... $ 8,540,179
Investments in Canada, at end of 1925....... $125,160,919
Invested in Canadian Government and Municipal Bonds.. $ 88,743,257

"Here's How I'm Fixed"—
"IF I live to old age I'll be able to enjoy a well-earned rest.
"If I should die earlier my good wife will have an income for life.
"If accident or disease lays me aside permanently before I'm sixty or even for a period of three months or more, I get a monthly cheque until I get better.
"If, later on, I urgently need cash, The London Life will lend me money.
"If my circumstances change I can adjust my policy to suit, without even medical examination.
"How's that for real life insurance protection?
"The cost? Why, it actually works out at less than 2%, because the premium is only $202.00 a year for $10,000 protection and the annual dividends reduce this considerably.
"*It certainly is different* and I'm glad I've got it!"
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Liberal-Conservative Victory Committee, 36 King Street East, Toronto 2

Many Reports Puzzle; Here is an Exception

Jamaica Public Service Company Reports All Tell the Complete Story to the Investor — Provide Also a Short Course in "How to Read a Report"

From Our Own Correspondent.

MONTREAL. — Many investors find it extremely difficult to decipher the balance sheets which annually are submitted to them. And this frequently is due, not to the fact that shareholders can not understand bookkeeping, but to the fact that many companies issue incomplete or obscure reports. An example of this is seen in those annual reports which show an allowance for depreciation in the income accounts, yet the shareholder looks in vain in the accompanying balance sheet for the figures which reveal the exact amount which has been set aside for depreciation as compared with the sum which has been invested in plant.

Sometimes the plant account is carried in the balance sheet at its depreciated figure—but the shareholder has no means of telling just exactly what proportion of the plant's value has been written off. Thus, from these and from many other such omissions, he can form no real estimate of the true position of the company in which he is interested.

Are Obscurities Necessary

In some instances these and similar obscurities in the balance sheet are necessary—but in many cases they are not. However, the management of the ordinary industrial enterprise naturally hesitates to reveal, say the exact amount of the turnover to a competitor, who in turn is not also forced to reveal all his figures. This explains why a number of companies simply show the net manufacturing profits in the annual reports.

It is unfortunate, but times without number shareholders are not able to learn the real position of the companies in which they are interested. Eventually, of course, steps will be taken to ensure that shareholders are better informed than they are to-day, and until that day comes, it is probably in the interests of the shareholders that certain information be withheld. The issuance of proper reports will only be brought to pass when the weight of public opinion forces legislation along these lines; at which time all companies may perhaps have to submit their annual accounts in some stereotyped form. Thus there would be removed the fear of broadcasting valuable information to competitors.

Some Good Reports Issued

But from the hundreds of reports which annually appear in the press, there are the odd two or three which tell the shareholders the full story of the year's operations through their income accounts, and the actual position of the company at the close of the year's business through their balance sheets. As the public utilities are monopolies and experience no competition, it is but natural that these companies are the ones who can best afford to reveal their position.

If any investor wishes to see "a balance sheet that is a balance sheet," let him obtain a copy of the last annual report of the Jamaica Public Service Company. From a quiet ten minutes spent with this report, the average investor will learn more than reading many books on the gentle art of reading a balance sheet.

Two Parts to Reports

Before continuing with the discussion of the report of the Jamaica Public Service Company, it would be well to reiterate the difference between the balance sheet and the income account figures. The latter tells the results obtained from the business during the whole year, whilst the former represents a static picture of the company. In other words, it shows the position of a company at a given instant; this is usually at the time the books are closed at the end of the business, or fiscal year. Thus, amounts which are deducted from the income account are sometimes credited to balance sheet accounts. Sometimes a comparison of the balance sheets of two years checks up exactly with the figures which has been added or deducted in the income account, but this is not always so. For perhaps a sum of $10,000 may have been deducted from the income account as a reserve against loss, say by theft; the theft reserve account in the balance sheet may not show a corresponding increase during the year because there may have been thefts to the extent of, say $8,000. In this event the theft reserve in the balance sheet would only show an increase of $2,000 during the year.

One of the Best Examples

The Jamaica Public Service Company probably presents the fullest report which annually appears in Canadian investment circles. And if the shareholders are not aware of the true condition of the property, it is not the fault of their management.

In the first place, both the balance sheet and the income account are complete. For instance, earnings are not shown as a total, but the gross earnings of each department of the company's activities is shown. From a shareholder's standpoint, the latter is most important.

As an example of this, take many Canadian companies which either derive their earnings from investments and manufacturing, or say, from any two distinct sources. If the stockholder knows exactly what proportion of his company's earnings are derived from various sources, he is in a far better position to gauge what the result of better or worse conditions in one branch of its activities may mean. Ofttimes the fact that such knowledge is withheld from the public brings about fluctuations in the shares which otherwise might have been avoided.

All is Explained

But the Jamaica Public Service goes farther. Under each item in all its accounts it gives a complete explanation of what such sums are. Thus the report is the more simplified and could be lucidly read by any intelligent schoolboy.

In the assets there is seen the property account which stands at $2,741,487. This figure represents the book value of its properties. That is, the actual cost or cost plus the cost of financing the property and the plants. On the other side of the balance sheet, the company explains how it allows for maintenance and the eventual retirement of all its plant and equipment. All the other assets are carefully explained under each head.

In the liability side of this report, perhaps the most interesting explanations given are those relating to the reserves and how they are to be applied. For instance, there is the operating reserve. The report says: "This amount is held available for the settlement of possible accident claims." Then there is an explanation of the balance standing at the credit of profit and loss showing how this has been invested in further assets.

Uses of Retirement Reserve

The explanation of that liability which stands under the head of retirement reserve is interesting. For it is in this account that the company includes its depreciation charges. Dealing with this the report says:

"The company annually makes transfers from profit and loss to which is charged the original cost less salvage of property retired from service, due to having become worn out in service, obsolescence or for other causes. The amount now carried is available to meet these charges as retirements are made."

Standing at the credit of this account is the sum of $42,179. Any shareholder can see just exactly the amount which has been built up against the evil day when the plants have become useless, or the machinery obsolete. The figure may seem small as compared with the amount carried in the assets, under the heading of plant, but it is to be remembered that the present company has only been in existence a year or two and has not had the opportunity of building up, nor needed to build up, a heavy reserve under this head. Also, the property has been well maintained.

Income Account Also

Then the report deals fully with all the items in its income account. As has been stated, the revenues from each source are given. These are the tramways, light and power, and the non-operating revenues. From the gross figure composed of all three, there is deducted the operating costs and the report definitely gives the composition of the figures under this head.

Then there is the deduction from the revenues for maintenance; this is used to keep the plant and equipment at its highest state of efficiency. And the investor can here note the distinction between this charge on the revenues and the later deduction in the income account of $35,000 for retirement reserve which goes to build up the account of the same name in the balance sheet.

It is to be noted, moreover, that the retirement reserve did not increase by $35,000 during the year under consideration. The reason being, of course, that the company replaced a portion of its old or worn out equipment. Here it might be thought that $35,000 was perhaps a small sum to annually devote to an account such as this, when the plant account totals nearly $3,000,000.

Extraordinary Charges

The allowance is a little over one per cent. It must take care of obsolescence, depreciation and other retirements. Perhaps the allowance was small last year, but the shareholders can see elsewhere in the income account a special deduction of $50,000 for repairs to the plant caused by a flood. The latter charge, of course, is not an annual one and as a consequence, next year there will be a larger sum available from income which may be credited to the retirement reserve.

Thus the investor can obtain from the last report of the Jamaica Public Service Company the true picture of its position at the close of the year and the complete story of its operations over the past year. At the same time he can place himself in a better position to read the reports which are issued by other companies.

Having read the annual report, the shareholder or the investor is in a position of being able to sum up all the pros and cons and to arrive at some decision as to whether the securities change hands on the market at a reasonable figure. With the information contained in the report, there must, of course, be coupled the general information on the industry in which any company is engaged, its past history and the outlook for the future.

Can Only Blame Himself

To return to the statement of the Jamaica Public Service Company. Some of the figures contained in the report will prove extremely satisfactory, whilst others will be less so. But in any event there can be no complaint that the shareholder is unfamiliar with the position of the company for he has the full and complete story.

There are advantages in buying shares in a company which presents as complete a story as the Jamaica Public Service. For when the shares move up—or down—the investor, like Mrs. Asquith's daughter, can exclaim: "I've only myself to blame."

GOODERHAM WORTS RISE $3,600,000 IN STOCK MARKET

Company's Shares, Since Listing, Have Had Phenomenal Advance

At the present market price of Gooderham and Worts shares investors give the company a valuation of $6,000,000. There is no funded debt or stock other than the 200,000 shares of no par value capital stock, quoted now around $30.

This market valuation of $6,000,000 compares with a total of $2,400,000 a little over a year ago when the old stock—20,000 shares of $100 par value—came on the exchange and sold at the opening at around $120 a share, equivalent to $12 for the new stock now selling at $30 or thereabouts.

It is interesting to note that the present interests in control of Gooderham and Worts paid something over $1,000,000 for property, plant and equipment of the company in addition to assuming a mortgage of over half a million dollars. The plant was virtually idle then in 1924. By resuming operations on an aggressive scale, they have given their purchase a much increased valuation.

Present market price of Gooderham and Worts is based upon prospective earnings rather than upon present assets which only totalled $2,520,000 net at the end of the last fiscal year.

Earning figures are not available, but are stated to be around $1,400,000 yearly. This is equivalent to $7 a share on the new stock, and is about 25 per cent. of the present market valuation. If this estimate, which has good authority behind it, is not too optimistic, there is ample justification for the present price of the stock.

In stock market circles, discussion is now heard of the possibility of an increased dividend for G. & W. which, however, would represent a change from what was believed to be the policy of the new interests in control, to completely modernize the plant out of earnings before increasing dividend disbursements.

It is likely that the present market price can be sustained without increased dividends. The old stock paid $6 a share, and nothing has yet been paid on the new no par value shares.

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London Cigarettes
"There's something about them you'll like"
20 for 35¢
T38
For your Pipe
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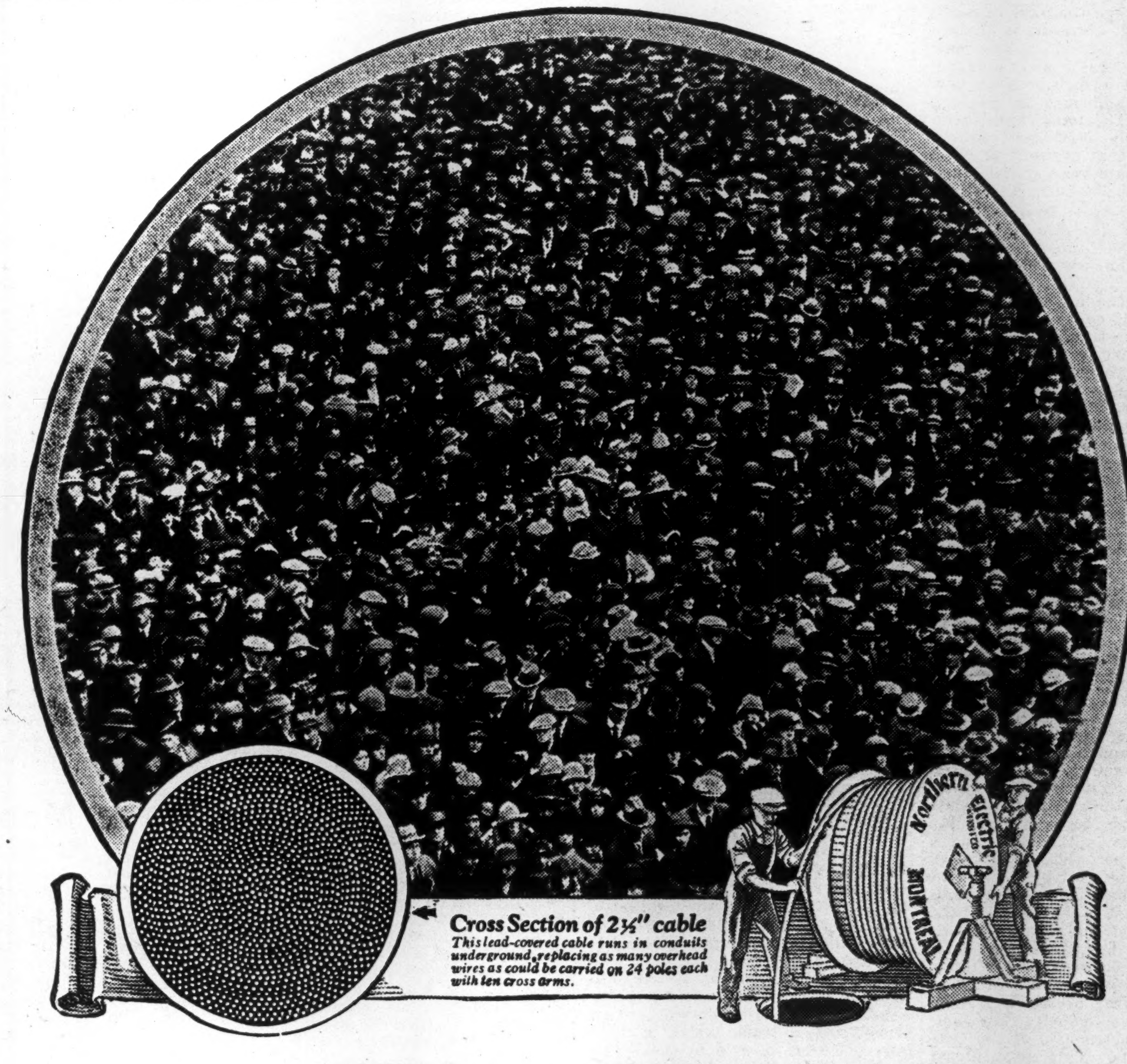
SMOKING MIXTURE

EDMONTON CAMP HAS BUSY SEASON

Over 600 cars from all parts have registered at the Edmonton auto camp during the present season, including a large proportion of American cars.



Cross Section of 2½" cable
This lead-covered cable runs in conduits underground, replacing as many overhead wires as could be carried on 24 poles each with ten cross arms.

2,400 people may converse with ease through a small lead tube

IMAGINE the roar of 2,400 voices confined within the walls of one huge room!

Imagine the babel of confusion if the people in that room should try to shout messages across to each other! Yet, through a lead tube, only 2½ inches in diameter, 2,400 people may converse at the same time with ease, without confusion and in strict privacy.

This lead tube (illustrated in section above) is the casing of a Northern Electric telephone cable, made up of over 1,200 pairs of insulated wires, each pair connecting at one end with a telephone instrument and at the other with a central exchange. In the larger Canadian cities there are scores of such telephone cables.

The rapid development of the telephone created the need for unusual equipment and devices—telephone instruments, exchange equipment and special wires and cables.

Fortunately, Canadian enterprise undertook the production of this great volmue of material. Already over one million telephones have been made in Canada by Canadian workmen, and nearly three-quarters of a million miles of wire manufactured into underground cables.

In one department alone of the Northern Electric Company plant, telephone wire is made at the rate of a thousand miles a day. The maintenance and growth of telephone service in Canada, apart from its other benefits, must be considered a very direct stimulant to Canadian industry.

Information

Canada has 2,459 telephone companies operating 1,009,203 telephones, and a wire mileage of 2,574,083.

Northern Electric
COMPANY LIMITED

Equipment for the transmitting of Power and Sound

This is No. 18 of a series of advertisements issued in the interest of Canada's electrical development.

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ADVERTISEMENT

VOTE CONSERVATIVE

For Stable Government!

Liberal-Conservative Victory Committee, 36 King Street East, Toronto 2

Canada Loses Revenue When Grain Goes South

(Continued from page 1)

the product had been shipped from the Canadian side, but a few miles away. From Goderich to the Atlantic seaboard, for example, the rate recently was 21 cents a hundredweight, while from Port Huron it was 18.5 cents. From Port Huron to Baltimore the rate is 16.5 cents against 21 cents from Goderich.

In all these cases there is a decided advantage in favor of shipping the wheat to Buffalo and having it ground there. As a result, Buffalo is producing more flour than any other city in the world. She is building storage elevators and mills about as quickly as she can secure labor to do so. Illustrating her rapid growth in the grain business, figures were compiled showing that her capacity for the week ended August 7 this year and three years ago, the actual production during those weeks, and the percentage of activity in relation to capacity, were:

	Week Ended July 31, 1926 bbls.	July 31, 1923 bbls.
Capacity	238,000	166,500
Output	191,877	117,555
% output of capacity	80%	71%

*Output includes some 50,000 bbls. more from mills not reporting to the association.

A short time ago the total capacity of the existing 27 elevators in Buffalo was 31,450,000 bushels. The new Saskatchewan elevator adds a capacity of 1,100,000 bushels. Other new elevators and additions to existing plants brought the total capacity up to approximately 40,000,000 bushels. Then it is said that grain ships lying in the harbor last year stored something like 30,000,000 bushels more.

Tariff Duty is Evaded

A stranger to the situation might ask, "what of the United States duty against Canadian wheat?" This is looked after by a polite form of evasion fixed up by the law-makers across the line. The 42 cent duty is merely evaded by having the Canadian wheat shipped in in bond, ground into flour, and re-shipped to Great Britain and elsewhere as American wheat. Since the product is re-shipped, it, presumably, is not affected by the tariff. Of course Buffalo operators may buy up as much of this product as they like while it is passing through, and sell it in the world markets in competition with Canadian-ground flour. Canada thus loses not only the business of grinding the wheat, but is obliged to compete in the world markets with her own product, much of which is inferior flour by virtue of having been blended with a lower grade of Western wheat.

Coastal Laws Further Complicate Matter

Added to the complication of the situation is the existence of coastal laws. According to international usage generally, and this applies in the case of Canada and the United States, there is an understanding by which, in common waters, Canadian boats may carry goods between Canadian ports or between a Canadian and a United States port, but not between two United States ports. The reverse is also true. There is, therefore, wide competition in rates between the head of the lakes and Buffalo. All boats, American and Canadian may enter this field. But between Fort William and Port Colborne, only Canadian boats, the number of which is relatively small, may compete. The same applies between any two of the Canadian lake ports. This constitutes a monopoly, and rates may easily be placed at a level which will drive much business to the United States, as is actually happening. Naturally, one asks why the Canadian government does not regulate these rates. Only recently the Canadian government attempted just this thing. United States carriers declined to be regulated, and a threatened scarcity of boats to move the crop obliged the government to retire. Incidentally the coastal laws many times work to the disadvantage of Canadian ports in that wheat can be shipped from Fort William to Buffalo by United States vessel and thence to Montreal by smaller vessel, whereas the direct trip from Fort William to Montreal would have to have been made by Canadian boats. This also works to the advantage of Buffalo as against Port Colborne. Then again it is much simpler to carry on blending operations in Buffalo than in Port Colborne, since the grain, when in the former port, is not under the inspection of the Canadian authorities.

Hard Problems to Solve

Finding a solution for these problems is not simple. Application was made recently by the Maple Leaf Milling Company, Western Canada Flour Mills, The Canadian National Millers Association and the Ontario Department of Agriculture to the Board of Railway Commissioners for Canada for an adjustment in rates which would provide for the same shipping rates, or reasonably similar rates from corresponding points on both sides of the Great Lakes system to the American seaboard. This would direct a larger volume of grain from Western Canada to points such as Port Colburne rather than sending so much by way of Buffalo. It would also provide a milling-in-transit rate on the Canadian side which would enable shippers to bill both wheat and flour by a Canadian route. Their complaint, in short, was that existing discrimination in rates favored United States shippers and millers, and retarded the growth of Canadian port cities while working to the benefit of their competitors south of the border. The same thing applied in Quebec and Eastern Canada. A few words from the statement made by Mr. Charles LaFerle, traffic manager of the Maple Leaf Milling Company at the time, will clarify the situation:

"I submit that the present ex-lake rate on flour from Port Colborne to New York, Baltimore and Philadelphia is pre-judicial and discriminatory in favor of other Bay Port mills. This is chiefly due to the lower rate basis allowed from various Bay Ports by carriers operating under almost the same conditions. The Maple Leaf Milling Co. ask your board to extend the application of the present percentage grouping (granted to Port Colborne 70 per cent.) authorized by your board under orders, etc., to apply not on the Chicago-New York local rate, but to allow ex-lake rates from Port Colborne to New York, Baltimore and Philadelphia to be constructed on the 70 per cent. basis on the present Chicago-New York re-shipping or proportional rates or any other re-shipping or proportional rate which might become operative in the future from Chicago to New York. . . . .The main reason my company is asking for this relief is so that the construction of the ex-lake Port Colborne to New York rate will be established on a relative basis to the present ex-lake flour rate from Buffalo to New York."

It is evident from the foregoing that what the millers want is a lower rate on the Canadian side. This, the railways have maintained, they were unable to give. They held that they could not make expenses on the volume of grain and flour offering, at the lower rate. It was urged that a much larger volume of Canadian grain would be shipped by the Canadian lines, if the rates were not so discriminatory, and moreover, that under present conditions the volume of grain and flour traffic billed over Canadian routes would continue to dwindle, resulting, ultimately, in the loss to the Canadian roads of all the business.

One thing the hearings before the Board of Railway Commissioners brought out was the fact that the milling companies were not making huge profits, as had been charged. Many of them proved to be passing through a difficult period. The earning of the strongest mills have declined substantially in the past year or two. This fact may easily be very important in helping the Railway Board reach a decision. Up to the present no decision has been made. It is expected that an announcement will be made during September, but probably not until after the elections. In the interval, Buffalo continues to attract nearly two-thirds of the Canadian wheat, while one of the leading Canadian plants has found it necessary to cease operations for at least a few days as a consequence of the small volume of grain being shipped to the Canadian side of the lakes.

Buffalo Gains Flour Mills From Big Grain Movement

(Continued from page 1)

New York, the principal port of flour export.

Cheaper Rates to Buffalo

There have been times when wheat has been brought to Buffalo from Fort William by water for about two-thirds the charge from Fort William to Port Colborne, although Port Colborne is the slightly nearer and more accessible port.

The freight rate on flour from Port Colborne to New York is 18½ cents the 100 pounds. The freight rate on flour from Buffalo is sixteen cents. Thus the railroads get 2½ cents the 100 pounds for carrying the product one-eighteenth of the distance as compared to sixteen cents for seventeen-eighteenths of the distance. Expressed another way, they get one-seventh of the rate, approximately, for moving the grain one-eighteenth of the distance, and six-sevenths of the rate for moving the grain seventeen-eighteenths of the distance.

Buffalo ships flour to Montreal for 18½ cents, as compared with the Port Colborne-Montreal rate of 17½ cents —not the same ratio of discrimination by any means.

Montreal's ascendancy over the port of New York in the export of grain in the last several years probably due to the fact that Port Colborne enjoys lower rates on bulk grain for export via the St. Lawrence than does Buffalo. Thus there would be a tendency to ship all Canadian grain from Port Colborne via the Canadian port, while such Canadian grain as reaches Buffalo and is not milled there might go either to a Canadian port or an American port, a traffic which might be governed more largely by ocean shipping conditions than by rail freight rates. But of course grain to be milled into flour is pulled to Buffalo by the rates magnet.

The appended table summarizes the rates:

Bulk grain ex-lake for export.

From Buffalo, N. Y., Port Colborne, Ont., to—

	Cents per 100 lbs.		Cents per 100 lbs.
Montreal—			
Barley	*19.5	†31½	16.04
Corn	*19.5	†31½	13.90
Flax	*19.5	†31½	20.89
Oats	*19.5	†31½	15.07
Rye	*19.5	†31½	13.90
Wheat	*19.5	†31½	14.34
New York—			
Barley	17.08		...
Corn	14.79		...
Flax	21.79		...
Oats	16.63		...
Rye	14.79		...
Wheat	15.17		...
Boston—			
Barley	17.08		17.08
Corn	14.79		14.79
Flax	21.79		21.79
Oats	16.63		16.63
Rye	14.79		14.79
Wheat	15.17		...

* Applicable only on grain in Canadian Northwest and exclusive of Montreal export terminal charges.

† Applicable only on United States grain.

Minneapolis Also Objects

If Canadians long have watched with envious concern the ever-increasing ascendancy of Buffalo in the grain carrying and export milling industry—sometimes at the direct expense of Canadian trade—Minneapolis, which long was the principal milling centre of the United States, is positively panic-stricken over the situation. It cannot be said, of course, that there is any consolation to Canada that Minneapolis should be a sufferer, but it is not considered illogical for misery to love company.

Minneapolis has flour mills with a capacity of 500,000 barrels of flour per week. They are now operating at from 38 to 50 per cent. of capacity. Buffalo, according to a statement issued this week, has flour mills with a capacity of 268,710 barrels per six-day week. They are operating to capacity and it is reported that additional mills will be built soon. Thus Buffalo, with a smaller milling capacity, leads Minneapolis mills in the production of flour.

It is not to be imagined that Minneapolis is tamely submitting. A few weeks ago it was announced that seven railroads serving the Minnesota city on August 25th would reduce by six cents the 100 pounds their all-rail rates on grain and grain products shipped to the Eastern seaboard through Chicago.

This will have a far-reaching effect on Buffalo, according to the Buffalo Chamber of Commerce, unless this city is given a corresponding reduction in the all-rail routes to the seaboard. The Buffalo milling interests have petitioned the interstate commerce commission for a stay of the proposed Minneapolis rate pending presentation of Buffalo's case for similar consideration. In view of the protests from Buffalo and the southwest, the interstate commerce commission has suspended application of the new rates pending hearings.

BRITISH AMERICAN OIL FOLLOWS IMPERIAL IN KEEPING RECORDS DARK

(Continued from page 1)

the shareholders, but the information is not presented in tangible printed form to these investors.

Company's Position Known Good

At the last annual meeting, the president is reported as having stated to the shareholders that the company was without bonded or bank obligations, and that this situation had prevailed for the past few years. Dividends on British American Oil Company's stock have been paid continuously since 1909, always at the rate of eight per cent. per annum. For 1922, 1923, 1924 and 1925 a bonus of two per cent. per annum was paid, making total dividends 10 per cent. per annum. The dividend is now definitely established on a 10 per cent. basis, and, of course, any action on a possible bonus above that figure will not be taken until the end of the year.

The stock sells at about $53 a share, the par value being $25. As there is $6,750,000 of stock outstanding, the market valuation of the company is about $14,000,000.

Earnings are stated to be well in excess of the present dividend rate. One estimate has it that earnings are at the rate of about 25 to 35 per cent. on capital stock outstanding. Last year's earnings were known to be the highest in the company's history, and there is every indication that further expansion has been recorded in the present year.

No Connection With Other Companies

Where control of British American Oil Company's stock lies is a question upon which there is much speculation. The president is S. R. Parsons, of Toronto, but the extent of his holdings is not known. Two of the directors are C. L. Suhr, of Oil City, Pennsylvania, and H. McSweeney, of Atlantic City, and these gentlemen are reputed to be very large shareholders.

In the report of G. T. Clarkson on the prices of gasoline and oils sold to the people of Ontario, made this year for the Ontario government, it was stated, regarding refineries operating in Ontario, that "Lists of stockholders with information as to share warrants outstanding were submitted and evidence given that so far as known no common ownership of shares existed. It was further testified by the officers of each company that it had no interest, direct or indirect in the ownership of any of the other companies or in the conduct of or administration of their affairs. I accept such evidence."

A few years ago, at one of the annual meetings the president referred to the fact that there was a strong and growing investment in the company.

Barcelona Hit Little by Revolt

Reports of the mild revolution in Spain caused little break in Barcelona Traction shares. Barcelona, one of the leading public utilities of Europe, has immense resources, and a vast commercial field to serve. It has emerged from the period of war and post-war stress and strain with a financial position rendered eminently sound through the process of drastic reorganization and paring down of securities. Monthly earnings indicate an increasingly favorable position, of which the stock market has given corresponding reflection. The outlook is regarded as exceedingly bright. No apprehension is felt regarding the political situation in Spain from the company's standpoint.

Dominion Alloy Steel Busy

Dominion Alloy Steel Corporation produced and shipped the largest tonnage of galvanized sheets last month of any month since operations commenced. Machinery is now on the way that will double present capacity. Company reports sufficient orders on hand to keep plant working at capacity for many weeks.

Capital Needed for Expansion

Business man established Toronto seven years and making money needs $4,000 for expansion.

Security and good interest for loan or backing that amount.

Address Box 280,
Financial Post, Toronto, Ont.

The International Nickel Co.

A quarterly distribution of $.50 on the common stock has been declared this day, payable Sept. 30, 1926, to Common Stockholders of record at the close of business, Sept. 17th, 1926.

JAMES L. ASHLEY, Sec'y. & Treas.
Sept. 7th, 1926, N.Y.

City of Moose Jaw
SASK.

5% DEBENTURES—$185,000.00

Sealed tenders marked "Tenders for Debentures" will be received by the City Commissioners, Moose Jaw, Sask., up to 4 p.m. on Monday, the 27th day of September, 1926, for the purchase of 185,000.00 5% Sinking Fund Debentures, Moose Jaw payment and delivery.

These debentures are being issued under the authority of By-Law No. 1219 of the City, for the purpose of making extensions to the City Electric Light and Power Plant.

The debentures will be issued for a term of 15 years and will be dated 1st October, 1926.

The debentures are a direct obligation of the City at large, and the issue has been approved by the Burgesses of the City; the Local Government Board of the Province, and a Certificate of Validity has been received from the Minister of Municipal Affairs.

Alternative bids are requested:—

1. On basis of both principal and interest, payable in New York, Montreal, Toronto, Winnipeg, or, Moose Jaw, at the holder's option.

2. On basis of both principal and interest, payable in Montreal, Toronto, Winnipeg, or Moose Jaw, in Canadian currency only.

The bonds are issued in coupon form, with interest payable semi-annually and principal at date of maturity.

Provision is made for registration of principal only.

The right is reserved to reject any or all tenders.

Further information will be gladly furnished on application.

W. W. DAVIDSON,
Mayor.
GEO. D. MACKIE,
City Commissioners.

$126,000.00
County of Middlesex
5% Debentures

Sealed tenders endorsed "Tenders For Debentures" will be received at the office of the undersigned up to 10 A.M. on Saturday, September 18th, 1926, for the purchase of:

$126,000.00 County of Middlesex, fifteen-year Instalment Debentures with 5% Coupons of Interest attached payable on October 1st, in each year.

These Debentures are being issued under authority of the Provincial Highway Act, and By-law 1079 dated the 30th day of January, 1926. A copy of which may be seen upon application.

Each tender should state a rate per cent. or a lump sum which the Tenderer will pay at par in London, Ontario.

The County will be at no expense for legal opinion or otherwise.

Delivery or conveyance of the Debentures to be free of all expense to the County.

The County does not bind itself to accept any tender.

The Assessment is $48,748,500.00: The net Debenture debt is $315,380.41 exclusive of above issue. The tax rate is 6.4 mills. The population is 42,885.

T. E. ROBSON,
Treasurer.
County of Middlesex.

County Treasurer's Office,
London, Ontario.
September 7th, 1926.

Dominion Power and Transmission Co. Limited

Dividend No. 60

A Dividend of one and three-quarters per cent. (1¾%) on the Preference Stock of Dominion Power and Transmission Company, Limited, has been declared for the quarter ending September 30th, 1926, payable October 15th, 1926, to shareholders of record of September 23rd, 1926.

By order of the Board.
GEORGE D. FEARMAN,
Secretary.
Hamilton, Ont., 7th September, 1926.

Barcelona Traction, Light & Power Company, Limited

(Incorporated Under the Laws of Canada)

Notice is hereby given that the Board of Directors of the Barcelona Traction, Light & Power Company, Limited, have declared a dividend of one and three-quarters per cent. (1¾%) on the 7% Non-Cumulative Participating Preference Shares of the Company, payable on the 30th September, 1926, to all Shareholders of record at the close of business on the 20th September, 1926.

Dated at Toronto, Canada, 7th September, 1926.

R. H. MERRY,
Secretary.

NOTE:

The Transfer Agents of the Company are National Trust Company, Limited, Toronto, Can.

The London Agents of the Company are the Canadian & General Finance Company, Ltd., 3 London Wall Buildings, London, E. C. 2.

DOMINION TEXTILE COMPANY LIMITED

NOTICE OF DIVIDEND

A Dividend of One and Three-quarter per cent. (1¾%) on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, has been declared for the quarter ending September 30th, 1926, payable 15th October, to shareholders of record 30th September.

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, September 1st, 1926.

The Toronto General Trusts Corporation

Dividend No. 121

Notice is hereby given that a dividend of three per cent. (3%) has been declared upon the paid-up capital stock of this Corporation for the quarter ending September 30th, 1926, being at the rate of

TWELVE PER CENT. PER ANNUM

and that the same will be payable on and after Friday, the First Day of October, 1926. The Transfer Books of the Corporation will be closed from Thursday, the 16th day of September, until Thursday, the 30th day of September, both days inclusive.

By order of the Board of Directors.
W. G. WATSON,
General Manager.
Toronto, September 1st, 1926.

The Dominion Bank

Notice is hereby given that a Dividend of three per cent. upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th September, 1926, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Friday, the 1st day of October, 1926, to shareholders of record of the 20th September, 1926.

By Order of the Board.
C. A. BOGERT,
General Manager.
Toronto, 26th August, 1926.

DOMINION TEXTILE COMPANY LIMITED

NOTICE OF DIVIDEND

A Dividend of One Dollar and Twenty-five Cents ($1.25) per share on the Common Stock of DOMINION TEXTILE COMPANY, Limited, has been declared for the quarter ending September 30th, 1926, payable 1st October, to shareholders of record September 15th.

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, September 1st, 1926.

CANADIAN WOOLLENS, LIMITED

Notice of Annual Meeting

NOTICE is hereby given that the Seventh annual general meeting of the Shareholders of Canadian Woollens, Ltd., will be held at the Head Office of the Company, McDonnel Street, Peterborough, Ontario, on Tuesday, the twenty-first (21st) day of September, 1926, at the hour of 1.30 o'clock in the afternoon (Standard Time), for the purpose of receiving the report of the Directors for the past year, for the election of Directors, for the appointment of Auditors, and to transact such other business as may be properly brought before the meeting.

Dated at Peterborough, the 31st day of August, 1926.

W. TINKER,
Secretary-Treasurer.

INTERNATIONAL PAPER COMPANY

New York, August 31, 1926.

The Board of Directors have declared a regular quarterly dividend of one and three-quarters per cent. (1¾%) on the Cumulative 7 per cent. Preferred Stock of this company, and a regular quarterly dividend of one and one-half per cent. (1½%) on the Cumulative 6 per cent. Preferred Stock of this Company, for the current quarter, payable October 15th, 1926, to holders of record at the close of business, October 1st, 1926. Checks will be mailed. Transfer books will not close.

OWEN SHEPHERD, Treasurer.

The Bell Telephone Co. of Canada

NOTICE OF DIVIDEND

A dividend of two per cent. (2%) has been declared payable on the 15th October, 1926, to shareholders of record at the close of business on the 23rd September, 1926.

W. H. BLACK,
Secretary-Treasurer.
Montreal, 25th August, 1926.

Dominion Glass Co. Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 30th day of September, 1926.

Notice is also hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the COMMON STOCK of the Company for the quarter ending the 30th day of September, 1926.

The above dividends are payable on Friday, the 1st day of October, 1926, to Shareholders of Record at the close of business Wednesday, the 15th day of September, 1926.

By Order of the Board.
MERVYN OFFER,
Comptroller and Secretary.
Montreal, 2nd September, 1926.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a Dividend of Two and one-half per cent., being at the rate of Ten per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current quarter, and that the same will be payable on and after
1st October, 1926,
to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board.
WALTER GILLESPIE,
Manager.

ADVERTISEMENT

VOTE CONSERVATIVE

For Stable Government!

Liberal-Conservative Victory Committee, 36 King Street East, Toronto 2

American Tourists, Big Building, Prairie Wealth Make Vancouver Prosper

By J. W. TYSON,
Editor, The Financial Post.

VANCOUVER.—Vancouver's position at the top of the Pacific Highway, the longest paved thoroughfare in the world, extending to Tia Juana, Mexico, together with moderate climate and moderate liquor laws and coupled with well directed publicity and intelligent treatment of visitors, is reaping for this city a tourist business, the benefits of which can hardly be measured, but have been estimated at between forty and fifty million dollars in new business for the season now drawing to a close. Figures are difficult to obtain, but the government reports that over 150,000 automobile travelers have entered the province from the United States. In addition there are the tourists by train and boat, in respect of which the numbers are not known, but are estimated at several times the figures mentioned in respect of American motorists. Tourist business has increased this year despite the discouragement of very extensive forest fires early in the summer. Still further increases are anticipated for next year, there having just been completed the Caribou highway, which follows the historic route of the gold trail of the late fifties into the interior and provides a connecting link with the Trans-Provincial Highway, and a direct route through the mountains and over the Prairies to the east. This new highway provides new scenic attractions for American tourists, and at the same time facilitates automobile traffic from the Prairies and even from eastern Canada.

The tourist business is only one factor in Vancouver's present prosperity which is more marked perhaps than in any other city in Canada. Building of stores, residences and shipping facilities is on a scale which gives the impression of the old time boom without the inflation caused by speculation in unimproved real estate. Local building and a more healthy situation on the Prairies are helping the lumbering industry, although prices are kept at a low level by the American mills. Mining developments in the Kootenay country are another factor in the present prosperity, while the fisheries are enjoying good markets and export trade generally is expanding largely because of the Panama Canal route and increasing demands from the Pacific. In the past six months Vancouver port has handled 1,461,504 more gross tons of all classes of shipping than in the corresponding six months of the preceding year.

Gotfredson Sales Larger; Earnings Up to 1925

Correction by the government of the anomalous position in which Canadian truck manufacturers were placed by the recent budget has helped Gotfredson Truck Corporation. Since the budget changes were announced the truck manufacturers have been suffering from reduced protection without a commensurate reduction in the duty on their parts. The circumstance was entirely due to an error, now corrected by order-in-council, which virtually restores the protection given the truck people.

Gotfredson sales show an increase this year and earnings are also expected to be approximately the same as last year when they amounted to $245,000 net, equivalent to $2.45 a share on the stock.

The stock has been selling lately at a considerable discount from the June, 1925, offering price of $25 a share.

This Week's Bond Sales

MONTREAL BONDS SOLD

An issue of $50,000, 5 per cent., 30-year serial bonds, was sold to Versailles, Vidricaire & Boulais, at 99.03, which is equal to a cost basis of 5.10 per cent. Tenders were as follows:

Versailles, Vidricaire & Boulais	99.03
Credit Anglo-Francais	97.64
Dominion Securities Corp.	96.78

CRYSTAL BEACH

A block of $90,364, 5½ per cent., 30-instalment bonds of Crystal Beach, guaranteed by the County of Welland, has been awarded to C. H. Burgess and Company at 104.33, or a cost basis of about 5.12 per cent. The tenders were as follows:—

C. H. Burgess & Co.	104.33
Dyment, Anderson & Co.	103.47
Wood, Gundy & Co.	103.26
Fry, Mills, Spence & Co.	103.51

TOWN OF PEMBROKE

R. A. Daly & Co. were awarded $25,000 5 per cent., 30 instalment school bonds of the Town of Pembroke, at a price of 99.29. Following are the bids:

R. A. Daly & Co.	99.29
Bell, Gouinlock & Co.	98.82
Fry, Mills, Spence & Co.	98.52
Harris, McKeen & Co.	98.35
Wood, Gundy & Co.	98.35
C. H. Burgess & Co.	98.31
Macneil, Graham & Co.	98.23
McLeod, Young, Weir & Co.	98.15
Dyment, Anderson & Co.	98.05
Royal Securities Corp.	97.59

Tenders and By-laws

Sept. 10 — Grimsby — $19,000, 5½% 15-year debentures. W. F. Randall, clerk.

Sept. 14—Town of Bagotville, P.Q.—$100,000, 5%, serial bonds. L. P. Chayer, Sec'y.-Treas.

Sept. 13—City of Thetford Mines, P.Q.— $111,700, 5%, serial debentures. H. Gilbert, Sec.-Treas.

Sept. 18 — County of Middlesex — $126,000, 5%, 15-year instalment debentures. J. E. Robson, treasurer. (See announcement on page 16).

Sept. 18—Town of Drummondville, P.Q.— $106,900, 5%, serial bonds. C. H. Lalonde, Sec.-Treas.

Sept. 18—Municipality of L'Abord a Plouffe, P.Q.—$60,000, 5%, serial bonds. P. E. Durocher, Sec.-Treas.

Sept. 20—Town of Farnham, P.Q.—$200,000, 5%, serial bonds. J. E. Lefebrve, Sec.-Treas.

Sept. 27—Moose Jaw—$185,000, 5 per cent. 15-year sinking fund debentures. Geo. D. Mackie, City Commissioner. (See announcement on page 16).

Public Utility Earnings

NORTHERN MEXICO POWER

For July—	1925	1926	Incr.	%
Gross	86,042	110,269	24,227	28.16
Net	**66,147**	**87,930**	**21,783**	**32.93**
For Seven Months—				
Gross	564,806	724,694	159,888	28.29
Net	430,211	580,179	149,967	34.63

BARCELONA TRACTION

July—	1926 Pesetas	1925 Pesetas	Incr. Pesetas
Gross Earn.	6,841,852	6,539,975	301,877
Oper. Exp.	2,654,814	2,451,467	203,347
Net Earn.	4,187,038	4,088,508	98,530
Aggr. Gross from Jan. 1st	52,791,124	50,118,038	2,673,086
Aggr. Net from Jan. 1st	34,484,362	33,219,560	1,264,802

WINNIPEG ELECTRIC CO.

July—	1926	1925	Incr.
Gross Earn.	$422,903	$396,569	$ 26,333
Oper. Exp.	317,299	308,204	9,094
Net Earn	$105,604	$ 88,364	$ 17,239
7 mos. end. July 31—			
Gross Earn.	$3,198,190	$3,079,953	$118,237
Oper. Exp.	2,244,503	2,248,738	x4,234
Net Earn.	$953,687	$831,214	$122,472

xDecrease.

RAILWAY EARNINGS

Canadian Pacific

Week end:	1926	1925	Change
Aug. 31	$5,182,000	$4,903,000	+$279,000

Canadian National

Week end:	1926	1925	Change
Aug. 31	$7,260,592	$6,759,722	+$500,870

West India Products Bond Issue Now Sold

From Our Own Correspondent.

MONTREAL.—The investment house of Credit Canada is making an offering of bonds of the Canada-West India Products Corporation. The company was incorporated recently and as mentioned in a recent issue acquired the businesses of the Canadian Suppliers Company and West India Fruit Company; the latter company had its head office in Kingston, Jamaica and a sales office in Montreal, and has been in successful operation since its inception six years ago. The former company was incorporated in May, 1925. The head office of the new company is in Montreal.

The purpose of the issue of bonds is to acquire the assets of the two component companies and for expansion.

$300,000 Canada-West India Products Corporation.

7 per cent., five year, collateral bonds.

Property: Warehouses and other assets of two component companies.

Security: Shares of component companies.

Earnings: Estimated during first year of operations will be $100,000.

Capitalization:

	Authorized	To be issued
7% 5-year collateral Bonds	$500,000	$300,000
7% Non-Cumulative preferred shares, $25 par value	300,000	150,000
Com. stock, no par value, given a nominal value of $1.00 per share	200,000 shares	200,000 shares

Purpose: To provide working capital and to extend the company's activities.

Offered: September, 1926, by Credit-Canada at par with bonus of 10 shares common stock with each $100 bond.

Penman's Bond Issue Will Fall Due Shortly

From Our Own Correspondent.

MONTREAL.—Investors in Penmans shares are awaiting interestedly the company's announcement with regard to its $2,000,000 first mortgage, 5 per cent. bonds, which mature November next. At the present time, the president of the company, Sir Charles Gordon, is abroad. On his return, toward the end of this month, it is thought probable that some announcement will be made. Originally, it was intended to retire this issue, but the recent changes in the Income Tax Act may, perhaps, make it advisable to refund the issue. As corporations still pay a tax and the individual shareholders are also taxed on the dividends, it might work out in the best interest of the shareholder to retain an issue of mortgage bonds outstanding on the property, for earnings which go to pay the interest on the bonds are regarded as a fixed charge and, upon this percentage of their earnings, the corporations pay no tax.

Anticosti Deal Benefits Canada Steamship Lines

From Our Own Correspondent

MONTREAL.—The current issue of "Investments," published by Nesbitt, Thomson and Company, deals with the effect of the development of the island of Anticosti upon the Canada Steamship Lines and declares:

"An insight into the possibilities that lie before the utilites of such a country as Canada, is revealed in the recent formation of the Anticosti Corporation and the announcement that between 390,000 and 420,000 cords of pulpwood would be transported annually from Anticosti island to various paper mills located in the Three Rivers centre or the Saguenay district.

The transportation of such an amount of wood will provide full cargoes for five months each summer for a fleet of eighteen to twenty vessels for many years to come—and this is entirely new business providing a new source of revenue.

During recent years a considerable business has been developed in the transportation of pulpwood by water routes. As the older timber limits have been entirely or partially cut over, several paper companies have been turning to the lower St. Lawrence for supplies. This benefits the paper companies to the extent that they "nurse" their cut-over limits and take advantage of new growth there, and it also provides new and profitable business for the inland navigation companies."

Take Over F. R. Graham & Co.

P. R. Gardiner and J. A. Wardrop have formed a partnership to take over the stock brokerage business operated under the firm name of F. R. Graham and Co. The new financial house will be known as Gardiner, Wardrop and Co., and will do a general stock brokerage business.

Ontario Municipalities Want Income Tax Continued

Vigorous enforcement of the municipal income tax and a uniform rate of tax on income to be fixed by statute, was approved by the Ontario Municipal Association convention in Toronto. With regard to the uniform rate of taxation on income, it was explained that this matter had been laid before the Statute Revision Commission but, as it involved a question of policy, the commission could not deal with it, but referred it to the government.

Boot and Shoe Factories Doing Better This Year

Report of the production of boots and shoes in Canada during the month of July shows production of footwear was slightly in excess of that of the preceding month, the total for all classes for July being 1,571,101 pairs in comparison with 1,,550,274 pairs in June. The number of pairs of boots and shoes with leather or fabric uppers manufactured during July was 1,485,225, an increase over the preceding month of 26,153. The quality of felt footwear of all kinds and cloth slippers for house wear totalled 85,876 pairs, a decrease of 5,326 pairs from the production shown for June. According to the different classifications, the production of men's boots and shoes increased by 10 per cent.; of boys' and youths' by 5 per cent.; and of women's by 5 per cent. The production of misses' and children's and of babies' and infants' show decreases of 18 and 9 per cent. respectively.

Statistics of the cumulative production of footwear for the 7 months ending July 31, show a total production of 10,500,325 pairs, or an average of 1,500,046 pairs per month. If the production for each of the remaining months of 1926 equals this average the total production for the year will exceed the production of the year 1924, the latest year for which complete statistics are available. The production in 1924 comprised 17,050,754 pairs of footwear.

C. P. R. Fort William Yards Enlarged

In preparation for handling the grain crop, the company put in service recently the additions and improvements in its Fort William terminals which were undertaken three months ago and have been made with great speed. They involved building eight additional miles of track, making a total of 35 miles in the Westfort yards, consisting of 13 receiving tracks and 28 classification tracks, and the expenditure of a quarter of a million dollars.

Three months ago houses were standing where the new tracks lie and 125,000 cubic feet of gravel had to be hauled to the site, so that the completion of the work in such short time really represents a noteworthy feat in railway construction; over 300 men were employed.

The old "hump" 9 feet high has been removed and reduced to the level of the receiving yards and a new "bump" 13 feet high has been erected from which the cars are classified to their separate tracks. Tracks are being built for additional storage of cars and improvements made in the handling of locomotives. A new yard office is under construction and the entire yard illuminated at night by the most modern system.

With these additional terminals, Fort William has a total trackage of 125 miles, feeding the great storage houses of grain before shipment down the Great Lakes. Total car capacity of Fort William yards is from 3,500 to 3,800 according to the season.

City Dairy Firm Above 80

City Dairy common has been strong at 80 to 82½. While the past season was not such as to develop any abnormal sales in the ice cream department, the general business of the company has been well maintained. There is also a report that some further rearrangement of the Dri-Milk subsidiary may result in a melon for the shareholders, and it is on this account that the demand has currently arisen.

Announcement

Gardiner, Wardrop & Co.
Investment Bankers

ANNOUNCE THE FORMATION OF THE ABOVE PARTNERSHIP TO TAKE OVER THE INVESTMENT AND BROKERAGE BUSINESS OF

F. R. Graham & Co.
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Every investor in mining stocks will want this new publication

IN A FEW days, The Financial Post Survey of Mines will issue from the press.

Then, for the first time, Canada will have a publication giving a nation-wide survey of Canadian mines and mining—complete, accurate, interesting.

The story of Canada's most rapidly growing source of wealth will be told for the investor in mining stocks, the mine operator, the financier and the business man.

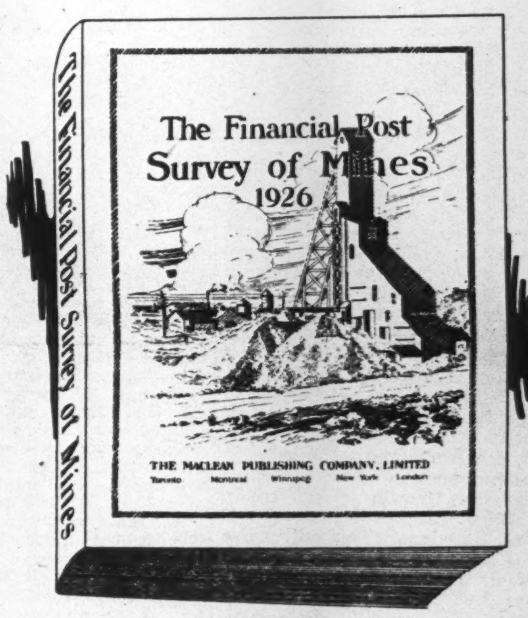
MINING men, brokers and investors have long felt the need for such a record. The Canadian mining industry is expanding rapidly. Successful speculation must have a background of past effort correlated with the latest news of development. There is no complete record of Canada's mines, hence one reason for this new Survey of Mines.

The first issue of the book will picture the mines as they are today, while the records of operations will be analyzed for five years back. Production, costs, recovery per ton, mining and milling methods will be analyzed. All this will be presented in a readily accessible manner. The provinces are being divided into camps and each featured by a short concise statement of the geology. The possibilities for future exploration and development will be pointed out by authorities that know these camps intimately.

While the publication will be a survey of mining operations, it will also serve as a prospectus of Canada's mining industry. Mining men agree that the potential mineral wealth of the country is tremendous. The Survey of Mines will indicate the possibilities of the various camps for intelligently employed capital.

Investors are being constantly asked to purchase stock in various ventures; others have held shares in companies for years. There are hundreds of such companies in regard to which no information is readily available. The Survey of Mines will place right at the finger tips a quick and plainly told story of these different operations.

The Financial Post has put forth the greatest effort to get first hand authentic information on the some 3,000 mining and oil companies that the Survey of Mines will review. The mass of information about each has been correlated and submitted to the companies for their checking. One very valuable feature will be the names of officers and directors of every incorporated company. It will be a Who's Who of mines and mining.


The Financial Post Survey of Mines
The Financial Post Survey of Mines 1926
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Each and every mining camp in Canada will be reviewed in great detail—as to geology, mining practice, mill practice, production, etc. Each individual mining property will be covered, with full information concerning history, directors, capitalization, production, earnings, dividends, etc., and with a description of geology, workings and equipment.

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Our original aim was to sell 4,000 copies of this publication. Before a page has been printed, we have sold over 3,000 copies. The circulation is certain to exceed 10,000 copies. The 1926 edition is likely soon to be exhausted and we are giving readers of The Financial Post, through the medium of this announcement, the opportunity of reserving copies. These copies will be delivered post-paid from among the first copies to come off the press. Thus if you order now you will have this fine publication fresh from our presses.

The price of The Financial Post Survey of Mines is $1 postpaid to any address.

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.... *September* 10.

News of the Mines: A Department for Executives and Investors

TAYLORS AT LAST HAVE A BIG MINE IN THE DOMINION

Head of English Gold Mining Company Once Chased Out of Country by Politicians

Despite the fact that many years ago John Taylor, deceased head of that great gold mining house, John Taylor & Sons, London, Eng., was chased out of Canada by a group of politicians, when he came looking for gold mines, his firm to-day has a big gold mine in Canada, Central Manitoba Mines.

"Yes, we got a big mine, and London is greatly pleased, in fact, overjoyed," said Arthur D. Miles, Canadian representative. The Taylors are going farther, they are going to make a portion of their stock available in Canada though they have sufficient funds to carry the whole enterprise without any public money.

The new company will have an authorized capital of $4,500,000 shares, $1 par. H. A. Wentworth, Boston, consulting engineer, one of the original "Wad" syndicate, which opened up the property, (Wentworth, Anderson and Davies), will be president.

One million shares will be offered the public, probably at par, and simultaneously at Montreal, Toronto, Winnipeg, Vancouver and New York. The funds will be used to build the first unit of a mill, 250 or 300 tons, which will be taken in during the Winter. A year from now the mine will be producing.

Interested Boston People

The company's properties have been many times described in The Financial Post. Major T. C. Anderson, Winnipeg, is the pioneer of the whole venture. When he got something that seemed to have some merit, he interested Mr. Wentworth and later Mr. Davis. When the latter looked the venture over he decided it was worth spending some money on and did. Later they interested Anglo-Canadian Explorers, the Taylors' Canadian Co. To-day, they have 62 claims which stretch along the break on which they are operating for three miles.

Central Manitoba is a rich mine. No estimate has been made of ore reserves, but this will likely be done when the two shafts, now being sunk are completed. They will not go deeper than 500 feet for the present. The main shaft on the Kitchener is down 375 ft. and a drift run on the vein west to over 700 ft. At this point a winze was carried down and is now about 125 ft. below the 375 ft. level. Now they are raising above the winze to tap the large body of ore between there and the surface. Meanwhile, the drift on the vein is being carried on and must be about under the new Growler shaft, which is down 125 ft. at a point about 800 ft. west of the winze. This will prove up on this end close to 1600 ft. of the vein west of the Kitchener, and there is easily 2½ miles of the break known to the west. Meanwhile, some work is being done on Teen Six, about 4000 ft. east of the Kitchener shaft. The break was sunk for about 25 ft. and then cut from wall to wall. It showed a width of 20 ft. of high commercial ore.

Values and Width Consistent

The vein shows a remarkable consistency in width, 12 ft. on surface and about 14 ft. on the 375 ft. level. In early drifting on the 375 ft. level the ore was lean, but below, as well as beyond this it came in as well as ever and has maintained a remarkably even distribution of values. No drifting was done on the 250 ft. level. Good values were secured on the 125 ft. level.

In the new Growler shaft the ore runs $30 to $40, or around 2 ozs. to the ton. On surface 1000 ft. of the break averaged $12 over 5½ ft. and values from this level to $38 and $40 are common over consistent widths, 5 ft. to 20 ft.

Power will be available at about $18 per h.p., but the question of a power line is not yet decided. Either the Manitoba Power or the mining company will have to build. The camp is assured of three big mines: Cryderman of Mining Corporation and Eldorado. C.P.R. has had surveyors busy in the camp, but there is no move to provide transportation as yet.

MINING STOCK QUOTATIONS
Week Ending September 7

	High for wk.	Low for wk.	Close Sept. 7	Close Aug. 31	Sales for wk.
Amulet	1.40	1.33	1.36	1.40	117075
Apex	3	3	3	3	1000
Algonquin	4	3	3	4	9500
Argo. Con.	32	29	31	31	256200
Area	29	26	26	29¾	22600
Baldwin	4¼	3¼	3¾	4¼	91300
Barry Hol.	68	66½	68	67	51200
Beaver	83	80	82½	79	49650
Bourlamque	1.17	1.13	1.17	1.13	19900
Bellellen L.	23	20	22¾	..	141100
Chaput H.	10	9	9½	9	14600
Can. Lorrani	86½	82	84	86½	26100
Capitol	39	37¾	38	37	17200
Castle Tre.	1.44	1.37	1.44	1.39	34007
Coniagas	4.50	4.25	4.35	4.50	588
Coniarum	3.90	3.80	3.80	3.70	600
Con. Smelt.	254¼	248	254¼	250	14970
C. W. Dome	22	20	20¾	21½	90550
Crown Res.	10	9	9¼	10	36350
Dome Mines	11.40	11.10	11.10	11.35	2722
Don. Rouyn	57	50	50	60	6700
Everett	6½	5	6	6	15500
Gold Hill	64	40	60½	49	212136
Goldale	37	34	36½	34	20000
Hill Top	27	22½	26	25	23750
Hollinger	19.40	19.25	19.40	19.30	3156
Kirk Hunt.	15	14	14	15	20760
Int. Nick. c.	39	36⅜	38¾	36⅝	2990
Keeley	1.60	1.52	1.58	1.53	15850
Keora M.	21	19	21	19	13750
Kirk. Lake	1.15	1.10	1.13	1.11	94875
Lake Shore	14.90	14.50	14.75	14.70	5190
Laval	27	25¾	26	25½	27300
La Rose	10	7½	10	6¾	7500
Lorrain T. L.	50	50	50	50	500
McKinley	14	12½	14	13	11850
McIntyre	26.20	25.60	26.00	26.30	4411
Millcrest	7	6¾	7	7	10500
Mining Cp.	3.90	3.75	3.78	3.85	7873
Nipissing	6.95	6.50	6.90	6.48	16970
Pioneer	90	77	88	72	25600
Premier Gold	2.30	2.20	2.28	2.21	7000
Preston	7	6	6¾	6¾	17450
Mont. Rouyn	23⅞	22	23	23½	40500
Noranda	19.39	19.05	19.20	19.20	26354
P. L. Cobalt	21¼	19¼	21¼	19¼	121350
Rouyn	3½	3	3½	3	9000
Rouyn Que.	2¼	2¼	2¼	2¼	500
Teck Hughes	4.77	4.50	4.77	4.59	50508
Thomp. Krist	1¾	1½	1½	2½	3000
Tough Oakes	48	45½	47	47	38800
Towagamac	3.30	3.20	3.20	3.25	7150
Vipond Cons.	1.91	1.78	1.80	1.90	38343
Stadacona	43½	42	42½	42¾	32700
Wright. Har.	8.70	8.65	8.65	8.70	2380
Vickers	81	79	80	80	6600

Taylor Success Should Help Canadian Mines in London

John Taylor & Sons, London, who now control Central Manitoba Mines, details of which company are presented elsewhere on this page, have been trying for many years to get a mine in Canada. In the last few years they have put forth an aggressive effort, taking options on a large number of properties and doing a considerable amount of work on them. They have at last got a big mine in the Central Manitoba.

Arthur D. Miles, their Canadian representative, is pleased, and he says his principles are elated. Their success will yield a big influence in London. To Messrs. Wentworth, Anderson and Davis, the "Wad" syndicate trio, much credit is due.

Henry Hanson, engineer and metallurgist for the Taylor people, has been in Cobalt for some time conducting tests at Temiskaming testing laboratory with a view of deciding on what kind of a mill will be needed for the mine.

CANADA'S MINERAL OUTPUT IS EIGHT MILLIONS HIGHER

Advance in Metallics is Two and Non-Metallics Six Millions—Declines Few

Canada's mining industries showed continued progress in the first half of 1926 and production reports from almost every field pointed to the establishment of new records during the present year according to a statement issued recently from the Mining, Metallurgical and Chemical branch of the Dominion Bureau of Statistics at Ottawa.

Valued at $98,395,788 the output of metals and non-metallic minerals including coal, gas and oil, marked an advance of $8,048,090 or 8.9 per cent. over the totals reported for the first half of 1925, and a sum equal to 52 per cent. of the output of such commodities during the entire calendar year 1925.

In comparison with the totals for the first half of 1925, production during the six months ending June 30, 1926, showed net gains in the value of the metallic minerals amounting to upwards of 2 million dollars and advances among the non-metallic minerals to a net gain of about 6 million dollars.

Advances were general throughout the list. Among the metals, increased outputs were reported in all but a few cases. There were slight losses in the totals for bismuth, cobalt and nickel and there was no iron ore mined in Canada during the period. Non-metallic minerals, with again only a few exceptions, were produced in larger quantities and marketed at higher total values than in the first half of 1925. Quartz, mica, iron oxides and sodium carbonate totals were lower than for the corresponding period in 1925, and mineral waters, while produced in greater quantity, sold for lower prices so that the total value dropped below the figures for the first half of 1925. Feldspar, on the other hand, showed a greater value, but a smaller tonnage.

Figures for a few commodities showed great growth. Copper production advanced nearly 18 million pounds and 2.4 million dollars in value in comparison with the totals for the corresponding period in 1925. Gold production in the half-year was greater by 61,770 ounces, or 1.3 million dollars.

More lead was produced. Output figures showed an improvement of about 10 million pounds, but as the price of lead, during the period, averaged about a cent a pound less, the aggregate value was also below the total for the first half of 1925. There was little change in the figures for nickel. Silver showed strength, advancing 1.86 million ounces and 1.03 million dollars above the corresponding figures for the first half of 1925. Zinc production continued on an ever-increasing scale; production rose about 12 million pounds and value advanced almost accordingly as prices were only very slightly lower.

Among the non-metals, the recovery in coal output, the greater production of asbestos, increased volumes of natural gas and crude petroleum, and the higher values for graphite were the most outstanding features, while the improvements in the figures for salt and gypsum particularly, and most of the other non-metalic minerals as well, were all most gratifying.

Coal, gold, lead, copper, nickel, silver, zinc, asbestos, natural gas and gypsum, in point of output values and in the order named, were ten principal products of the mineral industry in Canada, during the period under review. Production values for these commodities ranged from $25,312,598 for coal to $964,638 for gypsum, and amounted in the aggregate to $94,523,857, or 96 per cent. of the grand total for metals and non-metals in the half-year. For the first half of 1925, the list was almost the same; exceptions were that nickel and copper interchanged places, and cobalt held tenth place instead of gypsum.

EARMARKS OF THREE MINES ON ARCHEAN GROUP IN QUEBEC

Company Will do Underground Work on One and Diamond Drill Another

'In three places on the property the possibility of as many separate mines actually exist," says Dr. Robert Harvie on his report on property of Archean Mines, Clericy Tp., Quebec. The company has large holdings, its Cyclone Rapids group alone, being 40 claims, 1,600 acres. It has carried on an aggressive preliminary exploration policy on the property. The company has followed the plan of first locating all mineralized sections within its immense area. This reduced the possibility of spectacular developments at any one point, but produced a great fund of information. "Great advantage exists in knowing that three possible mines exist, by what methods they should be attacked, and just what claims can now be combined to give the highest mining value," says the report.

All Different Methods

The company proposes to deal with each of the three mining situations separately and it so happens that different underground methods will have to be employed for each. On claim 2509 extensive underground mining development will be carried out, while 2,505 and 2,517 call for diamond drilling."

On claim 2509 work has concentrated near the original discovery. Dr. Harvie has reached these conclusions:

The ore is closely associated with a tuff bed. The latter is continuous and stands vertical; hence the ore is likely to be continuous and to go to depth. The ore showing justifies a large amount of further work. Further exploration should be at depth. The work should be done by shafts and drifts because the machinery and other requirements for under ground work are available for immediate operation and with the present shaft most of the heavy expenditure has thus already been paid for.

On lower slope of hill on claim 2517, a mineralized area 25 x 100 ft. and nearby a second one about 10 ft. by 50 ft. and on top of the hill about 400 ft. to the east a third area 160 ft. long and of unknown width. In each place the rock is strongly jointed with the joint-seams filled with pyrrhotite and chalcopyrite. In some places the mineral is as much as an inch thick while in a test pit 12 ft. deep the corners are so rounded and replaced by ore that the result may almost be called massive ore.

The action is clearly one of replacement and in the test pit in particular there is a distinct improvement with depth. He suggests that these areas are the tops of ore bodies at a point where the ore is just grading out into low grade rock and he recommends plans for a considerable diamond drilling campaign which the present showings amply justify.

Valuable for Smelter

On 2505 claim, Dr. Harvie says the opportunity is in development of a quartz vein carrying chalcopyrite, a combination which will be eagerly sought for by smelters which commence operations in this district. This vein has been definitely traced for 225 ft., then following an interval across a swamp of 300 feet, what is apparently an extension is found and traced for about 50 ft. more. It is known that a fault exists between the two portions. The presumption is that it is an interbedded vein and likely to be continuous horizontally and vertically. There is clear evidence of replacement whereby the average thickness of one foot, in several places widens to seven and even nine feet, figures which would make a workable size of body.

All the surface work that can be readily done has been completed and diamond drilling should be considered at an early date as being the cheapest method of exploring the concealed portions as well as the continuation at depth. The object of that work would be to find portions of the vein thick enough and of great extent to be workable bodies. From the considerations already mentioned it is reasonable to expect that such bodies will likely occur.

The company proposes to proceed with an exploratory program of $100,000. It is capitalized at $200,000, all held by 200 shareholders. Gross financing cost to-date has been 10 per cent. The C. N. R. branch crosses the property.

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GETTING RICH ORE ON ELDORADO GROUP

Toronto Proposition in Central Manitoba is Shaping Up Very Well

Considerable success is being met with in the preliminary exploration of the Aldorado group of properties in Central Manitoba. This company is controlled in Toronto. Work done to-date has been by hand steel, a preliminary effort to open up the ore and decide what type of plant will be needed. As soon as their is a decision in regard power, a plant will be rushed in ready, for agressive operations in the spring.

The main shaft has been sunk 55-ft. and is in ore all the way. The vein shows a good width and the last assays gave an average of $26. Gold can be seen in place all the way down the shaft.

Some 2,000-ft. northwest another shaft has been sunk and is down 25-ft. It channels better than $40 over a width of four feet. One 3½-ft. assay ran $154. The main break on which work is being done has been traced on surface for 6,000-ft. and visible gold has been found all along the 3,000-ft. that have been worked upon.

To the south there is a parallel break, one of four on the property and it seems to be a duplicate of the main one, though no work has been done on it.

The ore is highly mineralized with chalcopyrite, iron sulphides, galena and gold. The presence of tellurides is suspected, but they have not been detected as yet.

The Cryderman property Mining Corporation is looking excellent. The shaft is down 250-ft. and drifting has been done both ways on the 125-ft. level. On this level the vein shows a width of 14-ft. The ore is well mineralized and is very spectacular, being shot with massive slugs of free gold.

Ontario's Mineral Display Attraction

A good deal of comment is heard in regard the Ontario Government mineral display at the Toronto exhibition. The mining department has been generously treated in the layout of the new building and the mineral display appears to advantage. One cannot help believing that educative exhibit will do a great amount of missionary work in acquainting the public with the vast possibilities of the mineral industry of the province. To those in close touch with the industry the display of asbestos from Delora Township, Porcupine, is proving interesting. It is quite attractive and the quality of the asbestos excellent. The Black Donald Graphite commands attention. Such ores of the province have not been receiving the full attention they deserve. The precious metal ore exhibit is well done. Besides the spectacular samples of gold and silver, the department this year has quite an amount of the ordinary ore as well, which strikes the writer as being a commonsense move and educative as well.

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1. Scientific selection of properties—the weeding of the good from the questionable.
2. Diversity of opportunity—each prospect hand-picked for its own intrinsic value, not because of an unrelated success in the vicinity.
3. Financial structures in which investment is not diluted by being spread over large capitalizations.
4. Direct contact between the investor and profitable development without the intermediaries which absorb his equity in costly promotion and stock manipulation.

Opportunities are continually being uncovered in the Canadian mining field and, as in the past, this company is taking advantage of them.

In doing this the company is prepared to accept the co-operation of investors and so provide a mutually beneficial partnership.

Fullest particulars will be provided on request

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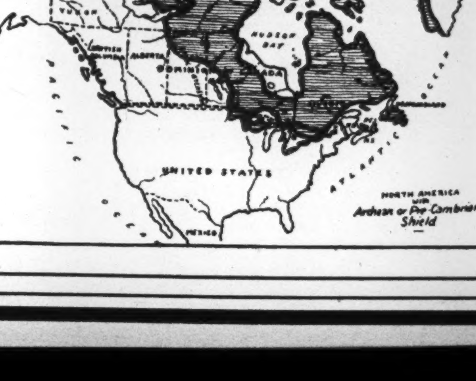
As the accompanying sketch indicates, the Archean or Pre-Cambrian shield, the oldest of the earth's rock formations, comprises the greater part of Central and Eastern Canada.

It is Pre-Cambrian formation in which the Rand of South Africa, the Mysore of India and the mines of Australia are located.

All over the world this formation has proved rich in those minerals that industry demands for the needs of civilization.



Of the North American Pre-Cambrian formation (called shield because of its shape) the small tip in the United States, which represents only 3% of the whole, provides in copper and iron much of the basis for the great industrial wealth of that country.

The remaining 97% is Canadian. The nickel area of Sudbury, producing 85% of the world's supply; the silver mines of Cobalt; the gold fields of Porcupine and Kirkland Lake which now bring Canada to third place amongst gold-producing nations; the copper of Flin Flon in Manitoba; the copper-gold of Rouyn; these are all as yet mere scratches in this tremendous area of potential wealth production.

News of the Mines

ENCOURAGING BITS OF NEWS COMING FROM OIL FIELDS

Vulcan Drillers Evidently Expect Well to Come in Quite Soon

There have been no untoward events during the week in Alberta oil fields. Two significant facts have been the cementing in of the casing of the Vulcan well and the partial raising of the lost tools in the McLeod well.

The Vulcan move is significant. The company, after freeing the hole of lost tools, planned to drill another 100-ft. before cementing in the casing. However, the gas pressure showed such a material increase, that after drilling to 4,917, or 52-ft. into the lime, the tools were pulled and the cementing carried out. It is evident from this that the drillers expect that the well will come in sooner than expected.

McLeod drillers raised the lost tools up quite a distance in the casing and then hammered them back to a solid base to grapple with them. It is the intention to fill the well mud before pulling the tools so as to prevent the gas pressure jamming the tools on the way up.

Unity Valley well struck oil and gas at 1,470-ft. and the gas pressure encountered was sufficiently great to knock the rotary mud in the 8¾ inch hole up a distance of three or four feet.

This is a considerable pressure to encounter and the gas struck is now bubbling up continuously, after having thrown out the few upper feet of mud in the casing.

Another Oil Sand

Home Oils encountered a second oil sand, more productive than the first at 2,092-ft.

The first sand struck was at 1,990 feet, and was about two feet thick. The second sand penetrated at 2,092 feet was between 10 and 12 thick and producing a different quality of oil from that struck in the first sand.

The oil in the first sand was a light amber in color, about 38.8 gravity, with considerable gasoline content. The oil struck in the second sand is a dark green in color, and while not yet tested, apparently carries less lubricant and more gasoline content.

While drilling about 15 feet through the oil sand and slightly below it, approximately 30 barrels of the oil were bailed out during a period of about 12 hours.

This is the most promising part of the recent strikes of oil, as it is now demonstrated that drilling in the southern end of the field is no deeper, in fact, appears to be slightly shallower, than in the central sector for wells located on the axis of the anticline. Further, the apparently large productivity of the oil sands in the Dakota formation in this part of the field places an entirely new aspect on the possible commercial features of these shallow sands in Turner Valley.

According to the logs of other wells in the field, a third sand in the Dakota ought to be met with at a comparatively short depth beneath the second sand.

Steadily increasing showings of oil in the core brought up from the Reserve well, together with an appearance of somewhat sandy strata, lead the directors of the company to believe that the drillers are nearing the top of the Dakotas now, and that production may soon be reached.

Ontario Mineral Output Up Million in First Six Months

Ontario's mineral production for the first six months of 1926 was $42,584,402, compared with $41,560,355. Non-metallics are lower, while metallics passed the 30,000,000 mark. The figures:

	1925	1926
Metallics	$29,515,391	$30,533,996
Non-metallics	4,044,964	3,550,406
Structural	8,000,000	8,500,000
	$41,560,355	$42,584,402

Gold production for the period was $15,588,991 or better than $1,000,000 over 1925. On this basis 1926 total for gold will be over $31,000,000. In 1925 it was $30,200,545.

In the 6 months Paymaster and Ankerite joined the producers, one in April and the other in June. Their output will be more noticeable the last half of the year. March gold also ran for 20 days and then shut down because of water shortage. Barry Hollinger's enlarged mill is now operating and Kirkland gold will be producing sometime in this last half.

Silver production was lower this year, while nickel-copper production from Sudbury mines was higher.

A material drop in natural gas production cut down non-metallic output.

Figures by metals:

Product		Quantity (6 months) 1925	Quantity (6 months) 1926	Value (6 months) 1925 $	Value (6 months) 1926 $
Metallic					
Gold	ounces	701,757	754,274	14,506,219	15,588,991
Silver (a)	ounces	5,601,883	4,699,998	3,792,662	3,097,861
Platinum metals	ounces	821	10,255	74,817	838,263
Copper sulphate	lbs.	12,834	......	642	......
Copper metallic	lbs.	10,319,142	8,559,800	1,374,087	1,180,067
Copper in matte (b)	tons	4,390	5,312.58	790,225	1,062,516
Nickel in matte (b)	tons	7,225	7,788.66	2,167,649	2,803,921
Iron, pig (c)	tons	3,671	......	60,004	......
Cobalt, metallic, and in exported material	lbs.	176,752	201,466		
Cobalt Oxide	lbs.	298,645	155,009	1,181,653	695,684
Cobalt salts	lbs.	57,900	32,924		
Mixed oxides	lbs.	81,940	144,714		
Speiss residues	tons	281	(d)	111,484	(d)
Nickel, metallic	lbs.	14,824,311	15,181,991	3,605,958	3,748,594
Nickel oxide	lbs.	7,055,506	4,903,300	1,570,435	1,216,923
Bismuth	lbs.	9,826	6,440	17,196	6,440
Lead, pig	lbs.	3,005,173	3,646,102	249,702	294,736
Zinc blende	lbs.	621,629	......	12,568	......
Total		......	......	29,515,391	30,533,996
Non-Metallic					
Abrasives	tons	76	32	684	288
Actinolite	tons	30	30	375	375
Arsenic (white)	lbs.	1,260,553	1,939,801	76,188	59,133
Asbestos	tons	4	......	1,378	......
Feldspar	tons	7,066	7,626	49,119	67,582
Graphite	tons	1,044	1,113	61,859	77,517
Gypsum	tons	41,768	37,754	210,411	134,694
Iron pyrites	tons	255	208	3,289	2,793
Mica	tons	548	256	54,591	28,230
Mineral water	Imp. gals.	91,000	77,850	10,900	10,287
Natural gas	M. cu. ft.	3,840,960	3,800,000	2,479,480	2,090,000
Petroleum	bbls.	77,615	66,302	222,979	182,079
Quartz	tons	64,689	51,393	116,210	68,927
Salt	tons	101,026	120,524	675,769	736,833
Talc	tons	6,684	7,348	81,732	91,668
Total		......	......	4,044,964	3,550,406
Clay Products and Structural Materials		......	......	8,000,000	8,500,000
Grand Total		......	......	41,560,355	42,584,402

(a) Mine shipments in 1925 were 5,601,883 ounces, whereas bullion marketed and exports totalled 4,568,653 ounces.

(b) Copper and nickel exported in the form of matte valued at 9 cents and 15 cents per pound, respectively, in 1925, and 10 and 18 in 1926.

(c) Figures in the table represent proportional output and value of pig iron produced from Ontario iron ore. The 1926 output of pig iron was 267,864 short tons valued at $5,380,450.

(d) Metals in residues included with other items in 1926.

Figures on the gold producers for the 6 months follow:

Source	Ore Milled tons	Bullion Shipped: Gold Ounces	Bullion Shipped: Gold Value (a) $	Bullion Shipped: Silver Ounces	Bullion Shipped: Silver Value $
Porcupine					
Consolidated West Dome Lake	18,285	6,605	136,520	724	480
Dome	271,600	95,729	1,978,900	17,628	11,579
Hollinger	960,853	371,573	7,681,097	70,213	46,105
McIntyre	240,134	94,178	1,946,840	21,542	13,926
Night Hawk Peninsular	21,604	5,365	110,481	1,031	673
Paymaster	2,662	622	11,145	31	20
Vipond	31,032	14,100	291,464	1,259	825
Total	1,548,170	588,172	12,156,447	112,428	73,608
Kirkland Lake					
Argonaut (b)	17,757	3,561	73,610	346	225
Barry Hollinger	3,908	1,589	32,605	196	127
Lake Shore	76,538	59,342	1,226,717	5,492	3,570
Teck-Hughes	42,988	41,296	853,663	3,220	2,114
Tough-Oakes Burnside	18,562	6,793	140,000	1,250	810
Wright-Hargreaves	75,442	51,381	1,062,055	4,612	3,010
Total	235,196	163,962	3,388,650	15,116	9,856
Miscellaneous					
Other gold mines	2,046	116	2,363	79	51
Nickel-copper refining	.....	2,024	41,531	73,091	47,923
Grand total	.....	754,274	15,588,991	531,579	346,128

(a) Total premium received on gold sold in U.S.A., $1,330.69, in addition to figures quoted.

(b) Copper (79,959 pounds) was also recovered from Argonaut concentrates.

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VIPOND COSTS SHOW MATERIAL DECLINE

New Mill Has Cut Down Overhead and May Go Lower

Vipond 1926 production fell a little short of 1925, producing $565,996 from 64,522 tons or $8.77 per ton.

The cost of production amounted to $490,515.54, leaving a profit from operations and miscellaneous earnings of $81,213.99 before writing off depreciations for the year and development charges carried forward from previous years. The increased operating expense is due entirely to the fact that the expenditure for mine development exceeded that of the previous year by almost $55,000.

During the year the mill was enlarged at a cost of $75,986.33 and its present capacity is 300 tons daily. Improvements to the mining plant absorbed another $9,638.61. Both of the above expenditures were met out of current operating profits.

Pres. F. H. Hamilton calls attention to the fact that during July, when the new mill addition was put in operation and 7,404 tons were treated, the total cost per ton dropped to $6.04 against $7.60 during the year under review and $7.84 in the previous year. With the mill operating at full capacity in the coming year he anticipates a further reduction of costs.

Dr. J. Mackintosh Bell, managing director says, that:

During the year, considerable amount of new ore has been developed in various parts of the mine in localities previously indicated by diamond drilling. The most satisfactory results have been obtained in the 5-8 vein system and in extensions of the Central System. The exploration of No. 9 vein, much the most persisted deposit on the property, is being extended into an area hitherto unexplored, with encouraging results.

Ore reserves stand at $2,475,000. The figures with those of other years for comparison.

Profit and Loss

	1926	1925	1924
Bullion prod.	565,746	582,926	379,075
Surp. from. 1924	......	51,516	......
Bank interest	5,731	5,520	1,233
Bond interest	......	......	1,007
For. exchange	...	257	6,850
Misc. earnings	253	45	.....
	571,730	640,264	388,165
Costs—			
Development	152,068	97,901	37,007
Mining, hoisting	160,489	184,805	112,951
Crushing, conveying and mlg.	88,724	93,939	76,396
Ship'g & mark.	5,046	5,506	6,887
Camp maint.	12,036	12,829	10,662
Adm. & gen. mine	29,673	32,457	7,049
Head office	6,157	7,030	10,842
Directors, transfer and legal	17,808	20,416	13,220
Taxes	1,355	3,261	3,546
Insurance	17,158	15,235	......
Dev. redemption.	......	75,430	37,235
Plant deprec.	......	30,124	17,572
Prov. for Dom. income taxes	......	452	3,282
1924 adjust. taxes	......	2,510	.....
	490,515	581,896	336,649
Bal. forward	81,214	58,368	51,516

Assets

Capital assets—			
Mining claims and prop. disc. on shares	1,432,443	1,432,443	1,432,443
Mine, mill, etc.	301,241	315,092	301,240
	1,733,684	1,747,535	1,733,683
Current assets—			
Cash	25,153	27,096	67,061
Bonds at cost	99,338	99,337	.....
(Par $75,000)	......	58,272	74,187
Shares in other companies	101,970	82,160	.....
Bullion	27,455	2,101	21,426
Accounts	2,694	19,155	476
Supplies	37,868	......	.....
Plant ads. 1925-6	99,477	......	17,278
	393,855	258,518	180,428
Deferred—			
Dev. undistributed	92,600	142,603	218,033
Ins., etc.	9,474	11,354	2,399
Sundry	1,095	977	875
	103,170	154,934	221,307
Total assets	2,230,809	2,187,987	2,135,419
Liabilities			
Capital stock—			
Issued, $1 par	2,000,000	2,000,000	2,000,000
Surplus	58,071	58,368	51,516
	2,058,071	2,058,368	1,051,516
Current liabilities—			
Accts. and wages	46,788	33,884	19,874
Accrued	3,469	3,231	1,795
	50,257	37,205	21,669
Reserves—			
Deprec. bldg., plant, mach'y	119,108	87,598	57,474
Taxes	3,373	4,816	4,760
	122,481	92,414	62,234
Total liab.	2,230,809	2,187,987	2,135,419

Iron Production 40% Up Over First Seven Months, '25

In July the production of pig iron in Canada amounted to 67,232 long tons, a decline of 5 per cent. from the 70,854 tons of June which in turn was 3 per cent. under the year's record in May.

Foundry pig iron at 22,490 tons was double the 10,087 tons of June, but this gain was more than offset by basic pig iron falling to 40,260 tons from 52,614 tons and malleable iron declining to 4,482 tons, as compared with 8,153 tons in the previous month.

For the first seven months of the year the cumulative production at 438,096 tons was 40 per cent. over the 311,838 tons made during the same period of last year. This year's tonnage was composed of 297,719 tons of basic iron, 115,813 tons of foundry iron and 24,564 tons of malleable iron. Most of the basic iron was produced for further use by the reporting firms, while the bulk of the foundry iron and all the malleable iron was made for sale.

United Kirkland to Pay 10 Per Cent. Dividend

United Kirkland Mines is paying a dividend of one per cent., proceeds from option on its property given Macassa Mines. Latest report on the company shows 1,000,000 of its 2,000,000 $1 shares issued, so the disbursement totals $10,000. The dividend is payable September 14, to shareholders of record on September 4.

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FURTHER MAPS ON RED LAKE AREA

On account of the interest that is being shown in northwestern Ontario, due in part to the recent mineral discoveries of the Red Lake region and to the general trend of development which is now taking place there, the federal authorities are co-operating with the province in a mapping programme covering that locality. This mapping programme is being carried on by the topographical survey department of the interior. The maps issued are compiled from surveys and aerial photographs by the staff of this survey in co-operation with the surveys branch of the department of lands and forests, Ontario, and the Royal Canadian Air Force.

A provisional map of the Red Lake district itself which was put out a few months ago met an urgent need for the presentation of authentic topographic information of this region and was well received by the public generally.

The subsequent programme calls for the publication of map sheets of the areas lying on all sides of the Red Lake region. Two of the sheets included are the Lac Seul sheet and the Pointe du Bois sheet, lying respectively to the southeast and the southwest of Red Lake, and north from the main line of the Canadian National Railways. The Lac Seul sheet was published a few weeks ago and the Pointe du Bois sheet is now ready for issue to the public.

This sheet includes the area within latitudes 50 and 51 north and longitudes 94 and 96 west and is published on the scale of one inch to four miles. The topography consists of a mass of lakes, rivers and connecting waterways of all sizes and shapes profusely scattered throughout a territory that is entirely forested. These waterways provide numerous canoe routes, which are featured by many portages to pass falls and rapids or cross heights of land.

The value of a good map in this connection and also for the general purposes connected with administration, forest fire protection, prospecting, geological investigation, and so on, is at once apparent, and it is to meet these needs that this map is published.

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SUN LIFE AGENTS AT YEARLY MEETING

Leading Producers of Biggest Canadian Company Receive Awards From Officers

ST. ANDREWS-BY-THE-SEA, N.B.—The Sun Life eastern agency gathering here was under the chairmanship of James W. Simpson, Superintendent of Canadian agencies. The Sun Life is the largest single investor in the Dominion said President T. B. Macaulay, in a talk on the many holdings of the company. He told how it is actively linked with the progress of the Dominion. The list of holdings of the company is certainly impressive, covering many fields and showing a close connection with the growth, not only Canada, but with many corporations of the United States. The Sun Life is not only the largest holder of American Telegraph and Telephone, but is also the largest holder of Detroit Edison and Detroit Gas.

The Macaulay Club, members of which have produced upwards of $100,000 of business during the past year, have been in session. The club was founded by the late president of the Sun Life of Canada, Robertson Macaulay. A record number of agents qualified this year and an idea of the many countries into which it has carried the name of Canada can be gathered from the list of officers announced at the convention. The amount of business written by these men can be judged when it is considered that one vice-president closed a single case for over a million and a quarter dollars. Officers are:

President, E. DeMarchena, Chile; vice-president at large, M. L. Elias, Colombia; Territorial vice-presidents, Western Canada, F. W. Adolph, of South Alberta; Ontario, J. W. Gordon; Western Ontario; Quebec, S. M. Rubinovitch, of Montreal uptown; Maritime Provinces and New England, W. B. Arthur, Jr., of Nova Scotia; Western United States, H. Nagamori, of Southern California; United States Eastern, H. G. Kilmer, of Maryland; Central and South America, T. G. Delriego, Peru; West Indies and Guianas, E. Foliz, of Porto Rico and Santo Domingo; Great Britain, F. Henry, of British department; Egypt and Levant, South Africa, India, South-east Asia, South China, T. W. Wallace, of Egypt; Japan, North China, Philippine Islands, Hawaii, W. Araki, of Japan.

Montreal was honored last year when A. Lecavalier was elected president. The officers of the club reach their positions by achievements of production. The president for each year is the agent with the greatest production in the World-wide organization of the company. The vice-president at large is the second highest producer and the territorial vice-presidents are chosen by right of being the largest producers in their respective territories.

The convention is easily the largest ever held by the Sun Life and is graced by the presence of Hon. J. C. Tory, Lieut.-Gov. of Nova Scotia, who before accepting the lieutenant governorship, was general manager of agencies with the Sun Life. He is now a member of the board of directors ana presented the prizes won by the new members of the club.

President T. B. Macaulay presented the prizes won by the lady members of the club, who included the following: Miss O. B. Cale, Western Ontario; Miss M. Daniell, Washington, D.C.; Miss O. B. Decker, Montreal; Miss F. J. Gerry, Miss E. J. Rothwell, Mrs. M. L. Jones, all of Western Ontario.

Two vice-presidents of the club were present, F. W. Adolph, representing the West and S. M. Rubinovich of Montreal, representing Quebec territory. He is one of the stars, for in his first year in assurance, produced almost a million dollars of business in Montreal. In a brief talk he said that work had produced his success. He was in his office every morning at nine o'clock and forgot all about the famous game of golf.

King Cabinet's Guilty Knowledge?

Here Is Proof Aplenty

It was proven beyond the shadow of a doubt that the Right Hon. W. L. Mackenzie King and members of his Cabinet were fully informed in 1924, if not earlier,

That the Customs service of Canada had broken down;

That the Treasury was being defrauded of millions of dollars;

That the Customs Preventive Service was in the hands of a gang of crooks and thieves;

That legitimate business men were being driven into bankruptcy by competition from smugglers.

That the Minister of Customs, Hon. Jacques Bureau, was disregarding all rules and regulations governing the collection of the public revenue.

This is borne out by correspondence filed before the Committee between R. P. Sparks, Chairman of the Executive Committee of the Commercial Protective Association, and the Right Hon. W. L. Mackenzie King.

In June, 1924, the conditions had become so bad that a group of business men asked for an appointment with the Cabinet to lay the whole situation before them.

August 6th, 1924, a large representative deputation met the Prime Minister and these five members of his Cabinet—Hon. Ernest Lapointe, Hon. J. H. King, Hon. Jacques Bureau, Hon. E. M. Macdonald and Hon. George H. Graham.

The delegation represented such organizations as:

The Retail Merchants' Association of Canada,
The Canadian Jewellers' Association,
The Wholesale Dry Goods Association of Canada,
The Canadian Association of Garment Manufacturers,
The Canadian Manufacturers' Association,
Merchants' Association of Montreal,
Manufacturers' Credit Bureau, Limited,
Board of Trade of the City of Montreal,
Board of Trade of the City of Toronto,
and many other Boards of Trade.

A report of this meeting made at the time was filed before the Customs Investigation Committee.

It was not until December, 1925, after the Stevens motion for a Special Committee of Investigation was actually on the order paper, that the King Government made its first move in the direction of a clean-up by dismissing the crook Bisaillon!

Members of the King Cabinet, Liberal Members of Parliament and Liberal politicians involved before the Customs Investigation Committee, either by sworn testimony taken before the Committee, or by documents read into its record, were the following:

Hon. Ernest Lapointe, Minister of Justice.
Hon. E. M. Macdonald, Minister of Militia and Defence.
Hon. Jacques Bureau, Senator and ex-Minister of Customs and Excise.
Hon. P. J. A. Cardin, Acting Minister of Customs and Excise.
Hon. A. B. Copp, Senator and ex-Secretary of State.
Hon. B. C. Prowse, Senator.
Hon. J. E. Sinclair, ex-Minister without Portfolio.
Hon. P. J. Veniot, ex-Liberal Premier of New Brunswick.
William Duff, M.P. for Queen's-Lunenburg, and Deputy Speaker.
P. F. Casgrain, M.P. for Charlevoix-Saguenay, and Liberal Whip.
L. J. Lovett, ex-M.P. for Digby-Annapolis.
P. L. Hatfield, M.P. for Shelburne-Yarmouth.
Pius Michaud, ex-M.P. for Restigouche-Madawaska.
Robert E. Finn, ex-M.P. for Halifax.
J. G. Robichaud, M.P. for Gloucester.
A. E. McLean, M.P. for Prince.
F. L. Kelly, ex-M.P. for Cape Breton North Victoria.
W. J. Hushion, ex-M.P. for St. Antoine.
W. K. Baldwin, M.P. for Stanstead.

Is a Government, under which the machinery for the collection of the public revenue completely broke down, now to be entrusted with the reorganization of that machinery?

The Investigation Committee recommended the prosecution of firms and persons for the recovery of about two million dollars out of which the public treasury had been defrauded. The pressing of these prosecutions will be in the hands of the incoming Government. Liberal Ministers and Liberal members of the Committee have attempted to defend and justify these frauds.

Every case won by the smugglers and lost by the taxpayers will be welcomed as a vindication by the King Government. Every case won by the taxpayers and lost by the smugglers will be a reflection on the King Government.

Can a Liberal Government be depended upon to press them to a successful conclusion in the interests of honest taxpayers?

The forthcoming election is a fight of right against wrong, of honesty against dishonesty, of tax-payers against tax-evaders, of clean Government against corrupt Government.

VOTE CONSERVATIVE

And Rebuke Corruption!

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Liberal-Conservative Victory Committee, 36 E. King St., Toronto.